

"STUDY OF RATIONALIZATION  
OF  
SYSTEMS OF GRANTS-IN-AID  
TO  
VOLUNTARY ORGANIZATIONS IN SOCIAL WELFARE"

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A STUDY CONDUCTED FOR  
THE MINISTRY OF SOCIAL WELFARE  
GOVERNMENT OF INDIA  
BY  
THE INDIAN INSTITUTE OF PUBLIC ADMINISTRATION  
NEW DELHI

STUDY TEAM

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(A.P.BARNABAS)

## INTRODUCTION

The research project was to study the rules and regulations of the grants in aid schemes to voluntary organisations. The Social Welfare Ministry/Departments and Central and State Social Welfare Boards are the major grant giving bodies. The study therefore made an effort to analyse the approaches of these organisations, with a view to understand the differences if any. The study further considered how functional these approaches were in enabling the voluntary organisations to fulfill their objectives. As the study progressed it was found that the study of the rules of grants-in-aid per se was inadequate to provide sufficient insights into the functionality of the grants-in-aid system. It became evident that there were other dimensions which had to be looked into to understand the problem as a whole.

The problem had to be considered not only in terms of the rules followed by both these organizations but also the perceptions of their mutual roles. The purpose of the grants-in-aid scheme is to strengthen voluntary action in social welfare. It was assumed that the CSWB would be the major organization to aid voluntary organizations in meeting emerging community needs. With the setting up of the Department of Social Welfare and later the Ministry of Social Welfare the Scenerio has changed.

At the State level, there is a tendency for direct action by the State department rather than allowing or encouraging the voluntary organizations to meet the social handicaps in the society. In most of the States studied it was found that less than ten percent of the budget of the department is allocated to funding voluntary organizations. Most voluntary organisations (except those dealing with the handicapped) get funds from the State Social Welfare Boards. However the grants that the State Boards get from the CSWB are rather small as compared to the total budget of the department (the budget of the Tamil Nadu's department is about Rs. 11 crores whereas that of the State Board is Rs. 70 lakhs. In Delhi, the State Board has at its disposal Rs. 20 lakhs while the budget of the department is Rs. only one crore. In Uttar Pradesh, the department budget is around Rs. 7 crores and that of the Board 78 lakhs).<sup>\*</sup> These figures raised question about the overall policy and attitude of the Government towards the role of voluntary organizations and also the perception of the Departments of Social Welfare regarding the Boards of Social Welfare particularly at the State level.

This was an important aspect as it raised questions of the assumptions of the grants-in-aid scheme.

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\* 1981 figures

The role assigned to voluntary action by the Government is an important element in the grants-in-aid, as it is expected to allow for an innovative and experimental approach by them. The point being made is that not only the rules of the grants-in-aid but the role assigned to voluntary organizations and the Co-ordination between the State Department and the Board, and their relation with the voluntary organizations has to be studied. It was felt that an over view of all these aspects would provide a better basis to answer questions with regard to the effect of grants-in-aid.

In view of the fact that the study was basically of grants-in-aid scheme, substantial analysis of the existing rules and their functionality in relation to the basic assumptions of the grants-in-aid scheme has been made. The perception of the voluntary organizations in regard to grants-in-aid rules and the functioning of the departments and boards have been dealt with in a separate chapter. The types of activities undertaken by the voluntary organizations, their structure, and their ability to initiate new programmes has been considered. Policy Formulation, Co-ordination, Monitoring and Evaluation are other aspects touched upon in the study.

To understand the consequences of grants-in-aid scheme on the recipients, a study of the voluntary organizations was imperative. Twenty six case studies were made. The experience of these organizations with regard to the receipt of the grants-in-aid and its effects on their functioning was also dealt with.

The study has attempted to consider the question of grants-in-aid in all its dimensions. The rules of grants-in-aid need to be analysed but for a clear understanding of its operational aspects, it is necessary to relate them to the structural and functional aspects of the organization providing the grants and those receiving it. There is an effort towards such an approach in the study.

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## CHAPTER I

### THE PROBLEM

#### Introduction:

There has been a difference of opinion regarding the impact of grants-in-aid to voluntary organizations. It has been felt by some that the grants-in-aid have led to a great increase in voluntary effort, covering many aspects of social conditions that needed amelioration. The other view is that grants-in-aid have tended to restrict the innovativeness, the flexibility of the voluntary organizations as the rules of grants-in-aid stipulate the types of services and activities and also require a particular pattern of resource utilization. Often the grants-in-aid are schematic and little change is possible by the voluntary organizations, in their operations even though a different approach might be more effective. Financial assistance from the Government provides stability to voluntary organizations but it also tends to raise questions about the role and functioning of voluntary organizations.

While there is evidence of various forms of grants-in-aid for over a long period, a more systematic and continuing programme of grants-in-aid to voluntary organizations could be said to have begun with the establishment of the CSWB in 1953. It was assumed that

grants through a non-governmental organization would be less cumbersome and promote voluntary effort.

" With the establishment of the CSWB for the explicit purpose of providing a continuing countrywide programme in order to strengthen the voluntary social welfare organizations, the entire picture changed drastically and radically. The principles and policies behind the establishment of the CSWB were inspired by the recognition of the virtues of voluntary action in social welfare. Those were the pioneering spirit of voluntary action responding readily to emerging community needs; freedom from 'red tape'; autonomy of decisions and the aptitude to experiment new approaches to the social welfare."<sup>1</sup>

It was further assumed that all grants to voluntary organizations would be channelled through the Social Welfare Board - at the Centre and the State. However, there are complaints from the recipient organizations of the delays, procedural difficulties as well as the adequacy of the amounts sanctioned. A multiplicity of organisations give grants for various purposes. These include Ministry of Social Welfare at the Centre and Departments in the State, Municipal Organizations,

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1. P.D.Kulkarni, "Grants-in-Aid - A Historical Perspective". A paper presented at a Seminar organised by NIPCCD, November, 1981.

Ministries of Home, Education, etc. Some voluntary organizations receive grants from a number of sources.

The above mentioned factors raise a number of questions with regard to the purposes and the procedures of grants-in-aid. Some of these are:

1. Has the grants-in-aid schemes allowed for expansion of voluntary effort? In other words, has the assistance proved a stimulant for increased effort by the community to meet ever increasing or new social problems?
2. To what extent has the grants-in-aid provided a sense of stability to the voluntary organizations? Has the assistance made the voluntary organizations so dependant, that little effort is made by them to raise funds on their own?
3. Are there any criteria for deciding on the extent of aid that should be given? Do all fund giving organizations have the same criteria? Is there any co-ordination among them when grants are sanctioned?
4. What are the rules and regulations for providing grants-in-aid? Are they the same in all organizations? What is the view of the recipients with regard to the rules?
5. Are the voluntary organizations given any guidance by the Funding Organization regarding their programmes or approach? Is there any effort at monitoring and evaluation?
6. What are the methods used to hold the voluntary organizations accountable for the grants given. To what extent are they effective?
7. What is the extent of co-ordination with regard to policy formulation, identifying needs and monitoring of programmes between the grant giving agencies - particularly the Ministry of Social Welfare and the CSWB.

The present study was undertaken to examine these various factors and made an assessment of the functioning of the grants-in-aid scheme on voluntary organizations. Only two major organizations were considered - The CSWB and the Ministry of Social Welfare. It was felt that these two could provide sufficient data to arrive at some conclusions regarding the situation as it obtains at present. In order to understand the situation fully, it was necessary to study the State departments and the State Boards. The approach also made it possible to study the vertical as well the horizontal relationships for both the departments and the Boards.

The Approach and the Objectives of the Study:

To make an assessment of the effectiveness of the grants-in-aid, to enable the recipients of the grants to achieve their objectives, it was necessary to study the following three aspects both at the Centre and the State level.

1. The organizational set up.
2. Rules, Regulations and Procedures for making grants and their utilization.
3. Case studies of some organizations which are recipients of the grants.

With regard to the organization, effort was made to look at its capacity in terms of Technical competence

to identify the needs of the voluntary organization and to examine the viability of the project, as well as the Monitoring and evaluation systems.

These aspects were studied in both the organizations namely; Social Welfare Boards and the Departments of Social Welfare at the Centre and the State.

With regard to the case studies, two or three organizations which had received grants from the Board and two or three organizations which had grants from the Department were chosen in Delhi and in the States for Study. The perception of the organizations with regard to the efficacy of the rules were studied. The question of whether the grants have enabled the recipient organizations to achieve their objectives was also analysed.

A comparative analysis of the rules and procedures for releasing the grants has been made. The question of the quantum of grant, periodicity of the reports required, accountability etc. were studied. The purpose here was to see whether there is any difference in the rules and procedures between the two organizations and the extent of flexibility in both organizations to allow the recipient organizations to make necessary adjustments if need be.

More specifically, the objectives of the Research Project were to study:

1. Organization and structure of the Ministry of Social Welfare at the Centre and Departments in the States.
2. Organization and structure of the Social Welfare Board at the Centre and the State level.
3. Vertical relations within the organizations and horizontal relations at different levels between the Board and the Department in terms of Planning, Co-ordination and complementarity.
4. Procedures in both organizations for the sanctioning of grants including:
  - (a) criteria of selection of beneficiaries (voluntary organizations)
  - (b) basis for assessment of schemes proposed.
  - (c) factors taken into consideration for deciding the quantum of grants to be made.
  - (d) the manner of accountability of the utilization of funds.
  - (e) extent of adherence to rules by the voluntary organizations.
  - (f) effect of rules of grants-in-aid on efficiency and functioning.
  - (g) the requirements of monitoring and evaluation.
5. The following aspects were studied with regard to the voluntary organizations:
  - (a) reason for approaching the Board or the Department.
  - (b) difficulties faced in obtaining grants if any (delays, quantum, sanctioning of posts, etc.)
  - (c) the impact of rules and regulations regarding finances on the functioning of the organization and its activities.

It was hoped that such an approach would provide information to make an objective assessment of the functionality of the grants-in-aid to enable the recipient organizations to function more effectively.

Methodology:

The study automatically called for a analysis of structure, functions of the Ministry of Social Welfare and the CSWB in Delhi. Further four states were chosen to collect data regarding the relationship between the Board and the Department, their procedures of grants-in-aid schemes and their follow-up efforts. The States were chosen so as to provide regional representation. The other criteria was the history of voluntary effort in the States. While there is a feeling that in Maharashtra and Tamil Nadu there has been substantial voluntary effort, it has not been as evident in UP. Another factor that was taken into consideration was the pattern of organization. While Tamil Nadu has one approach, Maharashtra and UP have different approach. So UP, Tamil Nadu and Maharashtra were chosen. The fourth "state" chosen was Delhi. It was felt that as Ministry and the CSWB are located in Delhi, it might provide some insights particularly with reference to vertical relations between the two at close range.

The officials in the Ministry of Social Welfare dealing with programmes, finance, etc., and in the Boards

Chairmen, Secretaries, Finance Officers, Field Workers, were interviewed. Data regarding the structure, areas of activities, mutual perceptions, rules of grants-in-aid their perception of effectiveness of assistance and the performance of the voluntary organizations were collected. Documents (annual reports, committee reports, minutes of meetings, etc.) were also looked into. Their suggestions for making the programme more effective were also discussed.

In each of the States several voluntary<sup>1</sup> Organizations were chosen to be studied. The effort was to look at a variety of programmes (children, women, handicapped, institution based programmes etc). There was an effort to choose organizations which had large budgets, as well as those with small budgets. Another criteria was the location of the voluntary organization - whether in the capital or away from the capital. The established nature of the organization was another factor that was taken into consideration.

Twenty - six organizations were studied. Using the case study methods, detailed information of each of these organizations was gathered. The major purpose of the study was to look into rules of grants-in-aid but having explored the problem, it was felt that the impact of

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1. Delhi  
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grants-in-aid on the functioning of the organization needed to be studied. A chapter has been devoted to general analysis of the nature and functioning of voluntary organizations.

#### Organisation of the report:

The first chapter deals with the statement of the problem and the approach of the study. The second chapter is concerned with policy formulation with regard to the grants-in-aid by the Ministry, Departments as well as the Boards. The next chapter describes the organizational structure of the grant giving organisations. The fourth chapter deals with the history, objectives rules and regulations of the grants-in-aid. The next chapter is allocated to the manner of the devolution of funds. The sixth chapter deals with the co-ordination between the Board and the Department as well as with other grants giving agencies. The following chapter deals with the monitoring and evaluation. An Assessment of the voluntary organizations is made in the next chapter. The last chapter consists of summary, conclusions and recommendations.

#### Limitations of the Study:

One of the major limitations of the study was that it was not possible to meet any of the beneficiaries of the programme that were being carried by the voluntary organizations. Some of the institutions and the locations

in which the activities were being carried out were visited. However, there was not sufficient time to discuss with the beneficiaries. The terms of reference did not call for a study of the beneficiaries but it would have been useful to make a more accurate assessment of the functioning of the voluntary organizations. The assessment of the voluntary organizations is based by and large on the discussions held with office bearers of the organization. Occasionally, the inspection reports of the Board or the Department were available. Usually, they were not quite adequate as they were more concerned with the accounts and the maintenance of material rather than with programmes.

In the case of some voluntary organizations which had a multiplicity of activities, the accounts of those activities which were partially or fully financed by the Board or the Department were available. The total budget could not be seen. In some cases accounts for only one year was available, while the effort in the study was to get accounts for three years so as to get a comprehensive picture.

The response in all the organizations were not always forthcoming. In some the possibilities and the problems were discussed quite frankly, some were not as forthcoming.

While, by and large, there was very substantial co-operation from the Boards in giving the information or making necessary documents; available, in some States there was hesitation in the Departments to discuss the situation or to allow the examination of documents (e.g. inspection reports). One got a feeling that in some state the Departments viewed voluntary organizations with askance. However, substantial data were collected with repeated visits regarding the activities, the extent of grants given, the total budget of the Departments, the perceptions and relations with the Board and the views on voluntary effort.

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## CHAPTER II

### POLICY FORMULATION FOR SOCIAL WELFARE

The Social Policy of the Government needs to be analysed as it should provide a clue to its approach to solving social problems. It could also indicate the role envisaged for the voluntary agencies. Further, the Policy might indicate the anticipated role of the Ministry Departments and the Board. The role assigned to the voluntary organizations and the Boards would determine the approach with regard to the extent and type of assistance to be given to them.

Social policy refers broadly, to a 'search for an articulation of social objectives and the means to achieve these'. One of the objectives of the policy is to provide social welfare. The UN describes social welfare as a "wide range of socially sponsored activities and programmes directed towards community and individual well-being". Defined in this manner, social welfare is rather a broad term and has various aspects and approaches with regard to the formulation of social policy. There are preventive, rehabilitative, ameliorative and developmental aspects. To deal with all these aspects simultaneously is rather difficult and involves substantial amount of resources.

The approach in the first four plans has been ameliorative. The grants-in-aid to voluntary organizations were given through the CSWB and the State Boards, particularly, in the area of children's and women's welfare. A programme for the education and training of the handicapped was also introduced. Activities in the area of social defence were implemented by the State with the assistance from the Centre. At present, the States are responsible for the social defence programmes. In the Fifth plan, there was a change in the policy. Greater emphasis was laid on preventive and developmental programmes. In the Sixth plan, there is a continuation of the same approach. The Sixth plan also lists some problems with regard to the implementation of the policies. "There has been a tendency to depend on schematic patterns in the implementation of the schemes by Government or voluntary organisations leaving little room for flexibility or ability to respond to the requirements and variations in local situations. The involvement of local community in planning and programming has been inadequate and their participation has been more in the nature of minor partners. There has been lack of integration of services at the beneficiaries level." (Sixth plan - p 431).

With regard to the role of the voluntary agencies, the draft plan says ; "Voluntary organizations have concentrated and developed only in some States and that, too, in selected

areas within States for extending certain types of Welfare Services. The grants-in-aid programmes have not been able to promote and develop voluntary organizations in remote and backward areas with the result that the existing disparities have been aggravated and central funds have flowed more to areas already having strong administrative machinery and infrastructure to utilise the funds. Women's organisations specially at the local level in rural areas have not been promoted."

Basically, the approach at the national level is that the social welfare is supplemental and that overall social well being should come from the general sectors. The need for social planning being an integral part of economic planning is therefore stressed.

#### Policies in the States:

The policy for the social welfare in most of the States is broadly similar to the one that has been outlined by the Central Government. The Tamil Nadu Government's Perspective Plan says "Social Development Planning is recognised as an effort to improve the calibre of human material as a productive factor and also as a means of providing opportunities to lead a cohesive social life by eliminating or reducing the causes and sources of social friction." The programmes are developed for the socially handicapped

women, nutrition and immunisation for children's welfare and a comprehensive rehabilitation of the physically handicapped. The policy statement does not refer to the role of voluntary agencies or of the State Board. In UP, the approach is that the social welfare programme should make the socially and physically handicapped persons in society self-reliant and to provide security to those who need it.

To fulfil these objectives, various activities are undertaken under the following headings:

1. Education and Welfare of the handicapped.
2. Family and Child Welfare.
3. Welfare of the poor and the destitute.

The nutrition programme is supported by Departments of Social Welfare, Education and Rural Development.

In Maharashtra, the objective of social welfare policy is to take care of those groups in society which need special care and protection because of social weakness and physical handicap. The programme activities include family and child welfare, women's welfare centres and strengthening of ~~cor~~rective administration.

In the implementation of the programmes, the policy recognises the role of voluntary agencies. Consequently, grants-in-aid are made to voluntary organizations such as

Mahila Mandals, Day Care Centres, institutions providing Non-Institutional services for destitute children institutions for the physically handicapped and home for the aged to provide the necessary services to the target groups.

The Annual Plan of the Union Territory of Delhi for the year 1981-82 with regard to the social welfare states, "The main objective of the programmes included under social welfare sector in broader sense is (1) to reduce the various social problems like beggary, (2) to take care of old and infirm, destitutes and orphans, (3) to provide education, training and employment to the socially and physically handicapped, (4) to offer protective services to women and girls in moral danger." The programme activities undertaken by the Department includes education and welfare of the handicapped, family and child welfare, women's welfare and correctional services.

It would be obvious from the description above that the States studied have similar policies and programmes. These are patterned after the Central Government. In the discussions with the State departments it became clear that the general tendency is for them to adhere to the policy given in the plan document and to follow the lead given by the Centre. There is some participation from the

States in the formulation of plans when discussions are held with the Planning Commission. However, initiative taken by the States to launch an innovative programme was not evident during the study. The approach, therefore, tends to be rather centralized. Hence, the question arises as to whether the States can and are responding to specific problems prevailing in the States. Part of the centralized approach is due to the centrally sponsored schemes which are more or less fully financed by the Centre. (Out of a total budget of about Rs. 40 crores of the Centre, 16 crores is designated as grants to State Governments 1981). The allocation by the State to social welfare is very limited. Under the circumstances, it is inevitable that the State tends to fall-back upon whatever programmes are suggested or initiated by the Centre.

The policy towards voluntary organizations of the States has tended to be very ambivalent. The overall support given to voluntary organizations was a very small part of the total budget. In a couple of cases the Departments felt that the Department itself should undertake to meet all the social problems. The feeling was that the resources and organizations of the departments allowed for a more effective implementation of programmes. In the other States, while there was an acceptance of the role of the voluntary agencies, the attitude tended to be lukewarm.

The grants-in-aid schemes were mostly for the centrally sponsored schemes. A more positive approach by the States is necessary to encourage and stimulate further voluntary action.

Role of Boards:

As a part of the policy and plan strategy, the CSWB and SSWBs have the responsibility to promote, stimulate and strengthen voluntary action. Voluntary organizations are to be encouraged to take up programmes in rural areas and backward regions. Steps are to be taken to simplify the grant-in-aid procedures and efforts to be made for the timely release of funds to voluntary organisation.

When the CSWB was set up, it was assumed that it would play a significant part in the formulation of the social policy. The CSWB did have some influence in the formulation of the policy from its inception in 1953 till the setting up of the department and later the Ministry in 1979. The situation has substantially changed since then. There is an ex-officio representation of the Ministry on the Central Social Welfare Board. The Board does not have any ex-officio status in the set up of the Ministry. The CSWB has, however, representation on some of the national committees (e.g. National Children's Board, National Women's Welfare Committee, etc.). The role of the CSWB in policy formulation is therefore,

not any more substantial than the representation of other organisations.

In the states, the feeling among the Boards was that they are at best tolerated and hardly recognised. The Boards, therefore, hardly have any role to play in the formulation of the state policy. In three States, the feeling in the Department was that the State Boards could contribute little to policy and programme formulation. The Departments also felt that the Boards tended to be politicised and hence, their role could not be objective.

The State Boards for their own programmes have generally followed activities suggested by the CSWB. Sometimes it looked as though the schemes were undertaken in the States even without an appraisal of the possible response to the programmes from the voluntary organizations. For example some of the states were not able to utilize the funds in full under programmes such as, condensed courses of education (two year, residential) for women and socio-economic programme. The State Boards need to be made more responsible for initiating schemes in their States. The present approach of funding the Boards, inhibits initiatives being taken by the State Boards. They felt rather stifled.

Decentralisation might enable the State Boards and Departments to meet more effectively the local problems. Such an approach could bring about a greater co-ordination between the State Board and the Departments.

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### CHAPTER III

#### ORGANISATION FOR GRANTS-IN-AID

The organisational structure of the grant giving bodies needs to be analysed as it has implications for the flow of grants, channels of communication, supervision and guidance to clientele groups. Apart from this, the structure could indicate the capacity of the organisation to help the voluntary organizations initiate new programmes as well as monitor and evaluate the activities of the recipient groups. The relations between the grant giving bodies - both at the vertical and horizontal levels would indicate the extent of co-ordination.

As stated earlier, only two major organizations - Departments and Boards both at the centre and the states have been studied. Brief descriptions of these organizations and functions in Uttar Pradesh, Maharashtra, Tamilnadu and Delhi are given. At the Centre the structures of the Ministry of Social Welfare and the CSWB have been indicated. Based on discussion with the officers in all these organizations, an effort is made to analyse their perception and approaches to the role of voluntary organizations regulations of grants-in-aid and the perception of each other's role.

Ministry of Social Welfare:

The Ministry came into being in 1979. Earlier, the Ministry of Education had a Department of Social Welfare. There is a Minister and a Deputy Minister. The bureaucracy is headed by a Secretary. There are three Joint Secretaries and a Financial Advisor. The Joint Secretaries are in-charge of different programmes, nutrition, women and children's programmes,

There has been a growth both in volume and range of the social welfare services available over the last three decades. The focus of the social welfare policy is to enable the deprived sections of the population to improve their quality of life. The approach is to assist the disadvantaged groups of the society, children, women, handicapped and the infirm.

The major functions of the Ministry are:

- (1) To formulate policies with regard to social welfare, particularly of the disadvantaged groups.
- (2) To develop programmes to fulfil the policies.
- (3) To assist other organizations financially which are working in the area of social welfare.

The policy is formulated on the basis of discussion with the various states and the Planning Commission. The policy is to try to take up those areas which are not being met by the voluntary organizations or met rather inadequately

by them. The Ministry is running some national institutions and giving grants directly to voluntary organizations particularly in the area of welfare for the handicapped. It might also initiate programmes which might have a demonstration effect. One such example is the Integrated Child Development Scheme. Providing assistance by way of grants-in-aid to various organizations is one of the functions of the Ministry. The grants-in-aid are mostly channelled through the Central Social Welfare Board. Some grants are also given directly to the voluntary organizations.

The following table gives programme wise budget of the Ministry of Social Welfare for the year 1981-82. It also gives the grants-in-aid given directly and through Central Social Welfare Board to voluntary organizations and also, the grants given to state and Union Territories Governments for implementing some of the social welfare programmes.

BROAD PROGRAMME-WISE EXPENDITURE \*  
OF THE MINISTRY OF SOCIAL WELFARE  
(1981-82 R.E.)

(Rs. in Lakhs)					
Sl.	Programme	Expenditure on National Institutions etc.	Grants to voluntary organization		Grants to State Govts.
			Through CSWB	Direct	Total
1.	Women Welfare	13.99	570.44**	337.50	340.60
2.	Family and Child Welfare	48.78	454.49	65.00	992.03
3.	Welfare of + Handicapped	143.17	-	230.29+	60.63
	Total 1, 2 & 3	210.94	1024.93	632.79	1393.26
					3261.92

Based on the Report of the Ministry of Social Welfare Government of India, 1981-82 and Annual Report of the Central Social Welfare Board 1982-83.

\* Excludes, Secretariat, Planning, Research and Evaluation budget of the Ministry, establishment expenditure of CSWB and contributions made to State Governments for adopting prohibition policy and towards international cooperation etc. The total budget of the Ministry was Rs. 42.92 crores in the year.

@ About 97% of the grant was given towards functional literacy programme.

@@ 79% of the grant was given for Integrated Child Development Services Programme.

\*\* Includes the expenditure on Mahila Mandals, Welfare Extension Projects etc.

+ Out of this amount Rs. 1.25 crores was directly given to voluntary organizations. Rest was given towards scholarships, education and employment facilities.

Out of its total expenditure of Rs. 42.92 crores, the Ministry of Social Welfare spent Rs. 15.60 crores (36.3%) on family and child welfare, Rs. 12.62 crores (29.4%) on women's welfare and Rs. 4.39 crores (10.2%) on welfare of the handicapped. Under women's welfare, the grants to State Governments were given towards functional literacy programme. The Ministry gave direct grants to voluntary organization towards working women's hostels (Rs. 2.75 crores out of Rs. 3.37 crores) functional literacy, promotion and strengthening of grassroot level organizations and counselling and guidance centres for women. The Central Social Welfare Board was giving grants to voluntary organization for the maintenance and training of destitute women and for the socio-economic programme.

Under the family and child welfare services, the grants to State and Union Territory Governments were towards the Integrated Child Development Services Programme. The Central Social Welfare Board was given to implement the Balwadi, crech and nutrition programmes through voluntary organizations. The Ministry also gave Rs. 65 lakhs under this head directly to voluntary organizations for integrated nutrition and child welfare services and for children in need of care and protection. Rs. 1.25 crores were given by the Ministry as grants to voluntary organizations dealing with the handicapped and Rs. 1.05 crores as scholarships, education and employment facilities for the handicapped.

The amount that was given to voluntary organizations either through Central Social Welfare Board or directly amounts to Rs. 16.58 crores or 38.6 percent of the total budget. The Social Welfare Board administered 23.9% of the amount whereas the Ministry gave 14.7% directly to the voluntary organizations. As was mentioned earlier, major part of the direct grants by the Ministry were towards working women's hostels (Rs. 2.75 crores) and welfare of handicapped (Rs. 2.30 crores). The Social Welfare Board's grants to voluntary organizations dealing with handicapped persons has been marginal as compared to the grants given by the Ministry. Thus, there is broad delineation of the role of the different organizations to the various target groups and the recognition of the role of the voluntary organization in the overall delivery of services.

### State Departments

#### Organization:

In the three states studied there is a Minister at the head of the hierarchy. In one state, the Department of Social Welfare comprises of Social Welfare, Cultural Affairs, Sports and Tourism. In another, it is a Department of Social and Harijan Welfare. In Tamil Nadu, there is a Minister for Social Welfare.

At the policy formulation level, i.e. at the secretariat, there is a Secretary, Jt. Secretary, Deputy and Under Secretaries. In most States at the implementation level, there is a Directorate headed by Director and Joint Directors. In some States, there were Divisional Social Welfare Officers for the various regions of the state.

At the district level, there are District Social Welfare Officers. In Maharashtra, the Zilla Parishad also has Social Welfare Officers of its own cadre. In Tamil Nadu, there is an Extension Officer (Social Welfare) at the Block level, and Social Welfare Organisers at the village level. In Uttar Pradesh the district officer is for Harijan and Social Welfare.

In Delhi, the Directorate of Social Welfare is headed by Director-cum-Development Commissioner. There is Joint Director, Deputy Directors Assistant Directors incharge of various phases of the programme. An Assistant Director is incharge of the grants-in-aid to voluntary organisations.

#### Functions:

There are two categories of programmes that are implemented by the Departments - Statutory and Non-Statutory.

Administration of Social legislation with regard to the Children Act (1960) Prevention of Begging act 1959,

the Probation of Offenders Act (1958), the Women and Childrens' Institutions (licensing) Act (1956), the Suppression of Immoral Traffic in Women and Girls Act (1956) is the statutory responsibility of the departments. The Tamil Nadu Department spells out its objectives as follows:

1. To provide education, vocational training for those who need (distressed women and children).
2. To provide health and nutrition services to children.
3. To maintain destitute and service homes for the needy women and children.
4. To help women to obtain self-employment.
5. To encourage the voluntary organizations.

The activities of the Department in Uttar Pradesh include welfare services for the disabled, the mentally retarded, and invalid persons, maintain rescue homes for girls, Mahila Ashrams, etc. The Departments are involved in running the ICDS programmes. The above gives a birds eye view of the types of activities that are undertaken by the Departments directly.

Encouraging the voluntary organizations by way of providing financial assistance and programme guidance is one of the functions of the Departments. The Departments provide both recurring and non-recurring grants. The recurring grant is usually for maintenance of the inmates and non-recurring for construction of buildings or addition

and alteration to the existing complex and purchase of machinery and equipment. In 1980-81, 27 voluntary organizations were given grants by the Delhi Department amounting to 25 lakhs out of its total budget of Rs. 3.0 crores. In Uttar Pradesh 280 voluntary organizations received grants varying from Rs. 1000 to Rs. 1,90,000. When the amount of grant have been large, they tended to be for capital expenditure. Thus the amount of grants-in-aid given to voluntary organizations tends to be an insignificant proportion of their budget. In Tamil Nadu the total amount of grant to the voluntary organizations was Rs. 41.4 lakhs in 1981-82 out of its total budget of 11 crores.\*

#### Central Social Welfare Board

The Central Social Welfare Board was set up by the Government of India in 1953 with a view to assist and develop the Voluntary Organisations. It was registered in 1969 as a company under the Companies Act, 1956,

#### Organization:

The Board was initially constituted for a period of one year with seven non-offical members including five women Social workers, one representative each of Lok Sabha and Rajya Sabha, and a representative each from the Ministries of Education, Health, Labour, and Finance. However, on the

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\* This amount excludes grants from DANIDA and World Bank for Integrated Nutrition Programme.

recommendation of Renuka Roy study team, the composition of the Board was changed. The reconstituted Board comprises of

- (a) one voluntary worker representing each state in the Union
- (b) three honorary experts in the field of social work
- (c) One member of the Union Territory to be appointed by rotation,
- (d) a representative each from ministries of Social Welfare, Health, Education, Finance, Rural Reconstruction and Planning Commission.

The general body consisting of 45 members, meets annually to discuss the programme and the accounts. An executive Committee consisting of some members of the general body, representatives of some ministries, looks after the administrative affairs. There are ten divisions (grants-in-aid, socio-economic, urban, administrative etc.) which are manned by a complement of staff at the head quarters. At the field level there are assistant project officers (30) and welfare officers (100).

#### Functions:

The major function of the CSWB is to provide grants to the voluntary agencies in the area of social welfare. For an effective discharge of this function, the following responsibilities have been assigned to the Board.

- (1) To evaluate the programmes and projects of the aided agencies.

- (2) To coordinate assistance provided to social welfare agencies by ministries at the Centre and the States.
- (3) To cause a survey of the needs and requirements of social welfare organisations.
- (4) To promote the setting up of welfare organisations on voluntary basis in places where no such organisation exists.

The Welfare Programmes are implemented through the registered voluntary welfare organisations functioning in different parts of the country. About 6000 voluntary organization were given grant by the Central Social Welfare Board in the year 1981-82. The main programmes of the Board are, nutrition, Balwadi, creche welfare extension projects, holiday camps, condensed courses of education and vocational training courses for adult women, general grants-in-aid and socio economic programmes.

The above statement\* gives, programme-wise, the number of grants sanctioned and expenditure incurred by the Central Social Welfare Board during the year 1981-82. About 50% of the total number of its 20012 grants, were given towards nutrition and creche (5017+4985) services to children. Another 25% of the total number of grants were given under its annual grants-in-aid programme.

Out of the total expenditure of Rs. 10.88 crores, about Rs. 3.91 crores (item Nos. 3,5,10,12 and 13) was incurred on

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\* Given in next page.

STATEMENT SHOWING THE NUMBER OF  
GRANTS SANCTIONED DURING 1981-82

Sl. No. Programme		No. of Projects/ Centres/ Units.	Expenditure (Rs. in lakhs)
1	2	3	4
1.	Grants with amount over Rs. 5000/-	247	20.06
2.	Grants with amount below Rs. 5000/-	4821	72.69
3.	Holiday Camps	837	33.00
4.	Mahila Mandale	387/1076	51.96
5.	Nutrition	5017	117.52
6.	Socio-Economic Programme	765	274.96
7.	Welfare Extension Projects	DP 3/20 CD 44/333	1.35 16.87
8.	Border Area Projects	92/450	65.27
9.	Condensed Courses & Vocational Training Courses	980	149.88
10.	Creches	4985	219.21
11.	Training of Rural Women in Public Cooperation (No. of Camps)	93	5.00
12.	Integrated Pre-school Projects	24/48	3.59
13.	Salwadis in Demonstration Projects	11/249	17.47
14.	Hostels for Working Women	59	2.80
15.	Welfare Extension Project (Urban)	32	1.90
16.	Conferences	-	-
17.	Major Repairs of Building	-	-
18.	Others (FCI, E&S & Building etc.)	-	-
19.	ESCAP, UNESCO etc.	-	32.91 1.97
TOTAL			1088.41

services such as Nutrition, Balwadi and crech services towards children. On women's welfare around Rs. 5.67 crores was spent by the Board out of which Rs. 2.75 crores was for the socio economic programme. Under its annual grants-in-aid programme, the Central Social Welfare Board incurred an expenditure of Rs. 0.93 crores in 1981-82.\*

Thus, Balwadi, nutrition, crech, socio-economic and annual grants-in-aid programmes account for about 80% of the total number of grants and 70% of the total amount of grants to voluntary organizations by the Board. Therefore the contents of the programmes and conditions attached to the schemes formulated under these programmes have direct bearing on the functioning of grants-in-aid system.

#### State Boards:

Within a year of setting up of the CSWB, State Social Welfare Advisory Boards were set up. There are 30 SSWABs in all the states and Union Territories. The exact legal status of these Boards has yet to be clearly defined. They operate as subordinate agencies.

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\* Out of this, grants with amounts below Rs. 5000/= which amounted to a total of 0.73 crores were sanctioned and released by the State Boards themselves to voluntary organizations and the rest by the Central Board. However, in respect of annual grants-in-aid amounting to more than Rs. 5000/=: the State Boards have the responsibility in the case of other grants in aid programmes to recommend and forward the applications to the Central Social Welfare Board.

The general set up of the Boards is almost similar in all the states with minor modifications. The Chairman is nominated by the State Government in consultation with CSWB. The non-official members of the Board are nominated both by Centre Social Welfare Board and the State Governments. Various Ministries are represented in the Board (e.g. Health, Education, Finance, Labour and Social Welfare, etc.). The administration is in charge of the secretary, who is responsible to the Chairman of the Board. The Secretary is assisted by various officials who are incharge of specific programmes - child welfare, women's welfare, nutrition, etc. In Tamil Nadu the Director of Social Welfare is the ex-officio Secretary of the Social Welfare Board. This is the only state where such an arrangement obtains.

Functions:

The SSWABs are the local representatives of the CSWB. They act as a media of exchange of information between the field and the CSWB. They scrutinize, recommend and forward the applications of the voluntary organizations to which grants may be given to the Central Social Welfare Board. The State Board itself can in respect of general grants upto a certain limit sanction but any sum beyond that has to be recommended to the CSWB for necessary sanction. The State Boards supervise, inspect, guide and evaluate the aided

programmes and agencies. They also administer grants on behalf of the state governments in respect of certain welfare programmes. However, this is restricted to those programmes which were initiated by the Board but subsequently taken over by the State Governments. They are to help avoiding duplication of grants by the government departments and the CSWB to the voluntary organisations.

One of the major functions of the State Board is to act as liaison between the State Government and voluntary organizations on the one hand and CSWB on the other. It is also to advise the CSWB of new welfare activities that need to be undertaken in the State.

The programmes of the Board may be put in two categories. Direct or sponsored, and aided programmes (grants-in-aid, creche, vocational training, holiday camps, etc. self employment, extension projects, agro industries etc.).

Budget:

The State Boards do not have any independent sources of income. The funds for various programmes are given by the Central Social Welfare Board and for establishment purposes by the Board and State Government on 50:50 basis. The budget of the State Boards indicate the role of the Boards in aiding voluntary organizations.

• The budget for Maharashtra was about 93 lakhs, for U.P., 96.5 lakhs, Tamil Nadu 58 lakhs, and Delhi 37.5 lakhs. 32.83. This excludes the general grants-in-aid of more than Rs. 5000/= given by the CSWB to the State Boards on their recommendation to voluntary organisations. The amounts sanctioned by the State Boards on their own (i.e. less than Rs. 5000 in the process of decentralisation) is rather small (Maharashtra 5.23 lakhs, Tamil Nadu 4.84 lakhs, Uttar Pradesh 5.60 lakhs and Delhi 3.53 lakhs).

The allocations tended to be programme wise e.g. the amounts allotted to nutrition was Rs. 33.7 lakhs in Maharashtra, Rs. 4.80 lakhs in Tamil Nadu Rs. 20.9 lakhs in Uttar Pradesh and Rs. 7.1 lakhs in Delhi. For creche the provision was, Maharashtra Rs. 28.7 lakhs, Tamil Nadu Rs. 24.9 lakhs Uttar Pradesh Rs. 17.4 lakhs and Delhi Rs. 144 lakhs. Although the programme-wise allocations might constraint the grants-in-aid to voluntary organizations the State Boards do have the option of suggesting and recommending other programmes which could be funded under the provision of plan grants-in-aid.

The grants by the departments to voluntary organizations tended to be rather a small percentage of their total budget (Delhi Rs. 25 lakhs, Tamil Nadu Rs. 41.4 lakhs) It would seem that these funds could as well be channelled through the State Boards. This would enable them to fulfil their role as

liaison between the State Government and voluntary organizations on the one hand and Central Social Welfare Board on the other.

Some issues:

A number of Ministries (labour, home, education) are engaged in welfare activities apart from social welfare. There is need for institutional device for co-ordination between them so that there can be delineation of roles. Similarly, in some states there could be greater interaction between the State Boards and the Department of Social Welfare. So also with the local bodies (Corporations and Municipalities) State Boards and Departments.

The capacity of both Boards and the Departments in terms of their field staff seemed limited in supervising, guiding and evaluating the functioning of the aided agencies. Lack of sufficient staff (mentioned by both) is mainly responsible for the situation. Further the situation does not allow for surveys to identify the emerging problems in welfare of specific clientele groups which is one of the responsibilities of the CSWB.

There are only a few persons trained in social work in either of the organisations. The CSWB has more of them than the Departments and Ministry. A large no of the trained personnel are at the H.R. There is need and increase their

number at the field level. To understand the complexity of implementing the welfare programmes greater attention is to be paid for technical training of the staff.

### Organizational Relations

#### Vertical Relations:

The Ministry of Social Welfare makes decision with regard to policy and programmes in consultation with the State Departments at the annual meetings with the Planning Commission. The general tendency for the states seems to be to follow the lead given by the Centre. Moreover, they tend to accept the centrally sponsored schemes as it enables them to have many programmes and finance. The States can formulate their own policy with regard to specific needs of the state. For such programmes, the resources have to come from the state itself. There is scope for more dialogue with regard to specific state policy and programmes between the state and the centre.

As stated earlier, there are 80 State Welfare Advisory Boards in the country. Their major role is to act as a liaison between the voluntary organizations in the State and CSWB. There has been criticism of the centralization of the grants-in-aid programmes. There is now an effort to decentralise to some extent. Grants upto Rs. 5000 may be

sanctioned by State Board itself if it is a continuing programme of the voluntary body. The policy and programmes of the State Boards are by and large governed by the policy and programmes of the CSWB. It is possible with the process of decentralisation the State Boards would be in a position to formulate specific programmes for their own states.

It would imply that the State Boards would need have financial powers to fulfil this role.

Horizontal Relations:

The Ministry of Social Welfare has ex-officio representation on the CSWB. The CSWB is represented on national committees of the Ministry. The discussion with the Ministry indicated that it had a positive view of the role of the CSWB. It may be recalled that the CSWB was established prior to Department and Ministry. It was envisaged as an apex body to provide the voluntary organization financial assistance and programme guidance.

An element of donor recipient relation seems to prevail between the Ministry and the CSWB. While the Ministry feels that they were being liberal in the interpretation of roles, the CSWB felt that the release of funds were not smooth or timely. Although the Ministry of social welfare has tried to delimitate the programmes which it supports directly and

those to be funded through central social welfare board, the direct funding of voluntary organizations has affected the role of the central social welfare board. The Ministry also has the problem of proper monitoring and evaluation of the programmes and organizations these funded. The assistances to voluntary organizations especially for meeting recurring expenses in the area of womens welfare, family and child welfare and handicapped **needs to be funded** through the central social welfare board grants of capital nature may be funded directly by the Ministry. This would avoid overlaps in funding and also help proper monitoring and evaluation of the programmes and organization. The relation at the state level between the Department and the Boards is very varied. In Tamil Nadu, the Directorate of Social Welfare is Secretary of the State Board. At the time of the study, the Secretary of Social Welfare was also the acting Chairman of the State Board. Moreover, the lower level staff working in the State Board are on deputation from the Department which can and does transfer them. Consequently, the State Board is more like a subordinate office of the Department. There seems to be an uneasy feeling among the programme staff of the State Board with regard to their status. In spite of it, there seems to be substantial support to the voluntary organization by the Board.

In Uttar Pradesh, the relations appear to be very ambivalent. The Department felt that it is in a better position to undertake all the necessary welfare functions. It seems to be sceptical about the role of the voluntary agency. The Chairman of the Board had not been appointed for nearly a year. The Board felt that they were not given much recognition and they had little role to play in the formulation of social welfare policy of the state.

In Delhi also the situation was not too different. The release of funds by the Department towards meeting its share of the cost of establishment of the Board is usually delayed. Consequently, programme funds have to be used to pay the salaries of the staff. There did not seem to be much interaction with regard to the formulation of policies and programmes.

The relation in Maharashtra seemed more positive. A convention of informal consultation exists between the Department and the Board. Such informal relation seemed to obtain both at the state and district levels. While there is no formal organizational mechanism by which the State Board has a role to play in the formulation of policy and programmes of the state, the informal discussion about the effectiveness of the programmes between the two, enable it to play an indirect role. The Department did feel that the

voluntary organizations had a role to play in meeting social needs of the community. It is possible that a long tradition of voluntary action both in Maharashtra and Tamil-Nadu have a bearing on their perspective, be it, the Board or Department.

The grant giving bodies need to have a clear perspective of the role of voluntary organizations in meeting social conditions that need amelioration. The perspective can become operational when all the grant giving bodies are able to coordinate and support the voluntary organizations fulfilling there role.

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## CHAPTER IV

### GRANTS-IN-AID GENESIS, OBJECTIVES AND PRINCIPLES

The system of grants-in-aid, which has its origin in traditional British administration, is a device to enable local authorities to provide various basic social amenities and services. However, the device has been accepted and adopted, in recent years, by many countries having a federal form of Government. Grants-in-aid is essentially, an instrument to transfer funds from a higher level of authority to lower levels, carrying with it certain mandate, directive, guidelines and privileges with obligations to perform in mutually agreed upon areas, activities and directions. That is, the receiving agencies have to agree to follow the pattern of assistance or rules governing the aid. The donor agency has the responsibility to frame the rules and define the purposes for which the grant will be given and retains the right to inspect, monitor, audit and evaluate the utilization of grant.

Over the years, two different types of grants-in-aid have come into vogue, namely, block grants and specific purpose grants. The former are broadly functional in nature and are based on certain formulae or criteria. Specific purpose grants are meant for specific tasks. They may be

categorized into flat grants, proportional grants and percentage grants. Flat grants do not require any matching contribution by the recipient agency. However, the administrative costs of the activity have to be borne by the receiving agency. Proportional grants are in proportion to the contributions made by the recipients towards the programme/project costs. They are often allocated on the basis of certain criteria which take into account the needs and capabilities of the receiving agencies. Percentage grants also are allocated in the same manner as the proportional grants but the donor agency's contribution constitutes a fixed percentage of the stipulated cost of maintaining a particular programme. The grants-in-aid given to voluntary agencies are discretionary aids and are mostly specific purpose grants and in many instances require certain percentage of matching contributions by the recipient agencies. This is mainly to ensure the interest and involvement of the voluntary agency in the programme or project.

Although grants-in-aid as an instrument for channelling funds and ideas has been in existence for a long time, it has been limited to Governmental agencies only, that is, from Central Government to State Governments and State Governments to local bodies. The idea of utilising the mechanism to mobilize voluntary effort and thereby community

participation in the area of Social Welfare is of recent origin. Voluntary organizations, by virtue of their proximity to the community and the area in which they are functioning, are expected to be better suited than governmental agencies to implement welfare programmes in which they are functioning, are expected to be better suited than governmental agencies to implement welfare programmes in which individual beneficiaries are to be reached and given services tailored to suit their particular needs. The smallness of the agencies and their structuring is expected to enable them to have flexibility in operation and respond more easily to the changing situation at the field level. By virtue of being part of the community, it is assumed that they would enlist community support and participation, work with understanding and minimum of overhead costs, and exercise close supervision.

The recognition of the virtues of voluntary action, coupled with the need to make maximum use of the scarce financial, technical and organizational resources, have prompted the Government of India to launch a sustained and sizeable grants-in-aid programme to voluntary organizations through the Central Social Welfare Board. Voluntary Social welfare workers, instead of Government officials are nominated as members of the Central and State Welfare Boards and are entrusted with the responsibility to identify

the needs of the people, formulate schemes, identify the agencies to implement the schemes and aid them through the grants-in-aid programme. The grants are also made for specific purposes and schemes and not to meet deficits or occasional non-recurring expenditures. That is, a holistic view of the requirements of a specific programme, project or service is expected to be taken into account under the grants-in-aid system.

Objectives of grants-in-aid:

The broad objectives of the grants-in-aid programme are to harness voluntary effort and public cooperation for purposes of national development and to bring about a measure of integration between national goals and local needs so that planning becomes truly participative. More specifically, the objectives of the grants-in-aid to voluntary agencies are stated to be:

1. to promote and develop voluntary effort and initiative in such functional, task and geographical areas where none exist or where the government is not in a position to take up;
2. to encourage innovativeness and experimentation in programme objectives and methods among voluntary agencies;
3. to help the voluntary agencies develop a professional approach to social welfare through the induction of trained manpower;

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\* "Based on Grants-in-Aid code committee report" Central Social Welfare Board, New Delhi, 1961. p. 35.

4. to build the organizational and administrative competence of the organizations without at the same time creating bureaucratic attitudes and excessive financial dependence;
5. to provide standard of services which is a national or state minimum and to improve the same wherever possible at less cost;
6. to reduce the geographical disparities in the provision of welfare services and also bring about a balanced development of welfare services;
7. to provide financial assistance on a sustained basis for the aforesaid tasks by making the voluntary organizations financially viable;
8. to promote community participation in the planning and implementation of national programmes and schemes;
9. to bring about a measure of decentralization and flexibility in decision-making regarding planning and provision of welfare services.

Effective realisation of these objectives requires that the system of grants-in-aid is based on realistic principles, rules and criteria so that the right type of programmes and projects are formulated to serve the most needy groups and that the right type of organizations are chosen for the task. The financial inducements offered through grants-in-aid tend to change the cost to the voluntary agencies of the services rendered by them. The tendency of the receiving agencies would be to choose those schemes which are least expensive from their organizational point of view that is where their share of the contribution would be minimum. This is likely to distort the priorities of

services to be rendered by the agency. The plans set out the national and state priorities in respect of social welfare goals and programmes. However, they need not necessarily coincide with the local needs and priorities. Therefore, it requires imaginative formulation of grants-in-aid schemes and rules, flexibility in the application of criteria etc. in the sanction and implementation of schemes and programmes.

General Principles and Rules of Grants-in-Aid:

Under the grants-in-aid system, besides the choice of schemes, organizations, the conditions attached to the aided schemes etc. there is one over-riding financial principle which requires to be borne in mind. That is, the accountability of the spending organizations-grant giving as well as the grant receiving agencies - for public funds. It means ensuring that the money sanctioned is in accordance with the treasury and general financial rules and regulations and the same is utilized for the purposes for which it is meant. It is the sole responsibility of the grant giving agency to abide by and ensure the general financial rules and procedures and render financial accountability to the public exchequer. The formulation of schemes, designing and interpretation of rules governing them, their sanctioning procedures and adherence to the same is largely influenced by their over concern for adherence to

financial rules and over all financial accountability.

General financial rules lay down rules regarding general system of financial management and control to be followed in common by all the departments of the government. They pertain to the receipt, custody and disbursement of government moneys. They also lay down the rules and conditions for incurring various types of expenditure and the scope and restrictions on the powers of the spending authorities, purchase account and custody of stores, principles governing contracts and agreements, budget estimates and appropriation, permanent advances, grants-in-aid, losses and wrote off of losses, shortages etc. Each individual agency is expected to formulate service rules in the light of the nature of their activity, which would ensure compliance with the treasury and general financial rules.

The grants-in-aid rules are covered in rules 148 to 151 of the general financial rules and lay down the following:

1. The grants-in-aid should not exceed a certain (25) percent) percentage of the administrative expenditure on pay and allowances subject to a ceiling limit of Rs. 10000/- per annum in each case;
2. Voluntary organizations should be of standing with well defined objectives, activities and resources;
3. The departments of the Central Government which are concerned with the voluntary agencies should each constitute a "grants-in-aid committee" which should scrutinize such requests. The committee should

select the names of voluntary organizations, determine the approved administrative expenditure of the organizations, decide upon the grants to be allowed to each organization and bring about a Grants-in-Aid Code and Manual for the guidance of those working in the voluntary organizations.

4. In the Code and Manual, provision should inter alia be made regarding the following essential conditions.
  - a) The application of the principles laid in the General Financial Rules and instructions issued by Finance Ministry in this regard from time to time. In particular, provision should be made for the submission of the audited statement of accounts.
  - b) A provision should also be made for the submission of a certificate by the grant receiving organization specifying clearly that the organization was not/has not been sanctioned grants-in-aid for the same purpose by another department of the Government during the period to which the grant relates;
  - c) A provision should also be made for the submission of progress report periodically;
5. The grants-in-aid shall not affect the other grants-in-aid which the organization may receive towards specific plan schemes.

It is evident from the foregoing that the primary concern of the government is to ensure that the grants are given to organizations having a certain amount of organizational, technical and financial capability and enjoying community support. The rules also try to ensure that the grants are given in accordance with certain well laid rules and criteria which are made known to the clientele group in advance. The rules also attempt to avoid excessive

financial dependence so that the organization retains a continuing interest in the service of the clientele group. Therefore, the rules provide for a grants-in-aid committee and a grants-in-aid code for governmental departments and puts a limit on the extent of aid to be given to organizations.

The Central Social Welfare Board's 'Grants-in-Aid Code' lays down the rules governing the grants-in-aid given by the Board. All the conditions governing the individual schemes should conform to the grants-in-aid code rules. The State Governments also bring out their own rules for payment of grants-in-aid to voluntary organizations and make them known through notifications.

Grants-in-Aid Rules of Agencies Funding Social Welfare Programmes:

Perusal of the general grants-in-aid rules of the Central Social Welfare Board and the State Governments reveals that they call for information from the voluntary organizations to ensure the capability etc. of the organizations to implement the schemes and ensure general financial accountability. They insist on the following documentary evidence:

1. Submission by the grant-receiving agency of its aims and objectives, nature of tasks undertaken, constitution, of the managing committee, its mode of constitution, registration certificate under the Societies Registration Act and/or Public Trusts' Act;

2. Budget estimates for the current year, audited statement of Income and Expenditure, receipts and payments and Balance Sheet of the organization for the previous year (in respect of trading or commercial organization audited Profit and Loss Account instead of Income and Expenditure Accounts).
3. Annual Report of the Organization/brief note on the programme of activities for the year;
4. Qualifications, pay.scales etc. of the personnel (in respect of grant towards personnel and general establishment).
5. Approval by the CPWD/PWD of the building plans (in case of non-recurring building grants) and adherence to the CPWD/PWD norms.
6. Existing stock position (for equipment grants)
7. Adherence to the purchase rules and procedures adopted by Government (in-case of purchase of building material and equipment) award of contracts etc.
8. Utilization certificate in respect of previous year's grants, if any.
9. Maintenance of separate accounts for the grant-in-aid portion and of separate stock registers for equipment etc. purchased from Government Grants.

The documentary evidence is expected to be carefully scrutinised and generally checked by the welfare officers of CSWB and members of the State Social Welfare Advisory Board in respect of CSWB's grants and the inspecting staff and Assistant Social Welfare Officers in respect of State Government's grants. The rules of the Ministry of Social Welfare stipulate that the applications by voluntary organizations for grants-in-aid of the department shall be forwarded through their respective State Governments.

This places the responsibility for verification about the genuineness of the organization on the State Government.

The grant giving organizations also stipulate that the grants received shall not be transferred alongwith the responsibility to implement the scheme to another organization. Since most of the grants-in-aid for social welfare organizations are specific purpose ones and are schemewise, the sanction of the grant is also for a specified time. Generally, grants are given to meet future expenditure only and are for one year. However, the sanctioning authority can also sanction to meet the expenditure already incurred but not earlier than a year prior to the date of issue of sanction.

The grant giving organizations also stipulate that the accounts pertaining to the grant portion shall be maintained separately. The sanctioning authorities are expected to call for such statement of accounts at regular intervals to satisfy themselves about the utilization of the grant, for the purposes for which it is meant. The frequency of such reports has to be decided by the grant giving agency itself, taking into account the nature of the activity and the needs of monitoring and evaluation.

The voluntary organizations are also required to maintain accounts for recurring and non-recurring parts

of their expenditure individually. They are also expected to maintain a separate register of assets acquired from government grants. These assets cannot be disposed off or transferred without the prior approval of the government. They cannot even be utilized, for purposes other than those for which they were sanctioned.

Sanctioning authorities are also required to satisfy themselves that the institutions receiving grants for a particular scheme do not receive grants from other departments for the same purpose during the same financial year. To ensure this, the funding organizations generally ask for an undertaking to this effect from the voluntary agencies. In some states such as Maharashtra the practice is that the departments giving grant to voluntary organization send the list of organizations receiving grants from there during the financial year to other related departments. The Department of Social Welfare, Maharashtra also maintains an approved list of voluntary organizations. The approval is generally given by the Director of Social Welfare except in case of fit persons institutions and certified schools. The principal criterion in giving approval are the facilities obtaining at the institutions and their financial and managerial standing. Information on these aspects is collected from the annual reports etc. of the organizations. In some cases, the field staff of the organization gathers the information informally.

The voluntary organizations are also required in some cases to follow the government purchase/contract procedures. This is more so in respect of purchase of equipment and building material and award of contracts. Wherever the voluntary organizations are receiving towards the full amount of the salary of personnel as grant, they have to conform to the qualifications, pay scales and service conditions approved by the funding organizations. In respect of Central Government grants, the qualifications, pay scales, service conditions obtaining in the State in which the organization is located is to be adopted by the voluntary agencies.

In order to ensure that all these conditions are scrupulously followed by the voluntary agencies, the grant giving organizations insist on the execution of a bond to the effect that they will abide by the conditions of the grant, by the target dates, if any, specified therein and in the event of their failing to comply with any of the conditions or committing breach of the bond, they will be liable to refund the entire amount of the grant together with interest thereon.

In order to avoid undue delays in the release of funds, a suitable procedure has also been prescribed in the rules for release of recurring and non-recurring expenditures.

For recurring grants the first instalment of the grant amounting to 1/6th of the year's grant can be paid to institutions having a good record of utilization of grants, in the month of April, to enable them to meet the expenditure for the months of April and May, out of the funds voted on account by Parliament. A second instalment is to be released after the budget has been passed but after submission of unaudited statement of accounts etc. but discretionary power is given to the grant giving agency to release the amount after satisfying itself about the genuine nature of the difficulties faced by the organization in submitting the audited statement of accounts etc. However, the sanctioning authority cannot release more than a total of 75 percent of the sanctioned amount for the year on the basis of unaudited statement of accounts. However, the grant giving agencies have the power to suitably modify and formulate the rules for release depending upon the nature of the activities they are funding.

For release of non-recurring grants also there is a set procedure which generally releases the building grant in three instalments. Part of the building grant (varying between 25 and 50 percent) is generally released after the building plans are approved and before the actual commencement of the work. The second instalment is released after the certification by CPWD/PWD as the case may be that the work

is progressing according to plan. The third instalment is released after the completion of work and after the CPWD/PWD certification that the work is completed and that the cost of the work is not less than the estimated and approved cost. The equipment grants are usually released after the purchase vouchers are submitted and certification by the concerned Officer etc. that the equipment has been installed and is in working condition.

The Rules also stipulate that there should not be any ambiguity in sanction and release of grants. Therefore, it is stipulated that the release order and sanctioning order should be separate. The sanctioning orders should clearly indicate whether the grant is for recurring or for non-recurring expenditure. It should also clearly specify the purpose for which it is given and the conditions, if any, attached to the grant. In case it is given for specific objects, a time limit is to be set within which the grant is to be spent. In case where no time limit is set, the grant is meant for a year only. In case of non-utilization of grant during the year, the amount has to be surrendered to the agency. However, the grant giving agency has the discretionary power to permit the voluntary agency to use the same in the next year and adjust it against the next year's amount of grant.

With a view to ensure proper utilization of grants the voluntary organizations are not allowed to reappropriate budgeted amounts from one item of expenditure to another. However, with the prior approval of the funding organization they are allowed to reappropriate as between items within certain specified limits. But such reappropriation from one constituent element of the project/scheme to another shall not augment the original budget by more than ten percent and such augmentation shall also not be for administrative or building purposes. No reappropriation is allowed as between recurring and non-recurring items of expenditure.

Despite the broad similarities in the grants-in-aid rules formulated and followed by Central Social Welfare Board, Central and State Governments which are primarily aimed at ensuring compliance with the general financial and treasury rules and sound choice of the organizations and to some extent proper utilization of the amount of grant, there are variations, in practice, as between Central Ministry of Social Welfare, Central Social Welfare Board and the State Governments in respect of the following:

1. Quantum and rate of grants to be given for the same purpose;
2. Contributions required to be made by the voluntary organizations;
3. Actual Manner of payment (release);

4. Extent of details with which the individual grants-in-aid schemes are formulated, that is, definitions of the target groups, purpose of the grant, individual admissible components of expenditure etc.;
5. Specification of the norms and standards of service and manner of their enforcement;
6. Review of schemes and grants tapering of grants;
7. Follow up and supervision on the utilization of grant.

The first three factors have a definite influence on the choice of schemes by the voluntary organizations. The tendency of the voluntary organizations is to apply to those agencies and for such schemes where the amount of grant is likely to be more and also where their share of contribution is likely to be less. This would bring about an undue demand for the grants-in-aid given by some organizations and an imbalanced development of services. Most of the voluntary organizations are engaged in the delivery of services to destitute women, children and handicapped groups. In some cases they cater to more than one target and deliver more than one service. Under such a situation, it is easier for them to apply for a grant benefitting one target group but utilize the same for the other groups also. For example, many voluntary agencies render services to women and children and it is easier for them to get maintenance grant for one group and utilize the same for the other group as well. This is likely to be more in the absence of close supervision and follow up. The fourth and fifth factors also influence to some

extent the choice of schemes by the voluntary agencies but they mostly affect, the functioning of the programme/project as such. The enforcement of standards becomes difficult in the absence of well defined norms and yardsticks for individual services. The impact of the scheme also gets diluted. This would also affect the proper choice of voluntary organizations for funding.

The actual functioning of the grants-in-aid schemes with special reference to the above mentioned factors is dealt with-in the next chapter.

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## ASSESSMENT OF THE OPERATIONAL ASPECTS OF GRANTS-IN-AID SYSTEM

There are different types of schemes formulated by the Central Government's Department of Social Welfare, the Central Social Welfare Board and State Governments to enable the voluntary organizations render services to the target groups. That is, the funding is scheme-wise. The target groups of all these institutions are by and large the same. They are women and children who are destitute and distressed and physically and mentally handicapped people. The demarcation of functions as between the funding organizations is not watertight. However, it has been stated that over a period, the Ministry of Social Welfare are mostly aiding services which benefit the handicapped groups. The Central Social Welfare Board has been placing emphasis on the provision of integrated services to women and children. Here again the focus of the Board appears to be on urban target groups and border areas. The State Government's Welfare activities are, broadly concentrated on the physically, mentally and socially handicapped sections of women and children. The services for women and health and nutrition problems of the primary school children are taken care of by the State Governments. The States also have the sole responsibility to look after the welfare needs of the backward classes and tribes. The

State Governments seem to be concentrating in rural, tribal and semi-urban areas. However, as has been stated earlier, there has been only broad demarcation and there are overlapping zones with respect to services and target groups where all the funding organizations tend to give grants-in-aid to the voluntary organizations.

Just as there is no clearcut demarcation of target groups or areas or services to be funded by each funding organization, there is also no specialization on the part of voluntary organizations in delivering particular services or serving specific areas or target groups. The organizations give multiple services to the distressed and destitute women and children. The types of services which are taken up by the voluntary organizations are; giving shelter, food and clothing and medical aid to needy women and children. Efforts are also made to rehabilitate the women through marriage, education, vocational training and self-employment. The institutional services rendered to destitute children is boarding and lodging besides giving them pre-school, primary, secondary and vocational education. Non-institutionalized services are rendered to women by the organizations through condensed courses of education, vocational training, functional literacy and nutritional education. They provide Balwadi,

creche/Day care facilities and in some cases foster care services to children.

The composite nature of the services provided by these agencies make the organizations choose such schemes from an assorted basket of grants-in-aid schemes, which are financially more beneficial and which would enable them in delivering the composite services better. While the assorted scheme-wise pattern of grants-in-aid enables them to choose the one better suited to their need, there is a likelihood of the priority pattern of the organizations concerned and of the nation getting distorted. In order to avoid such a pitfall, it is essential that the schemes are formulated with clarity as to the criteria to be applied for the selection of the voluntary agencies, the beneficiary groups and services and uniformity in the standards and norms of funding specific services taking into account their overall needs. While funding to provide specific inputs, such as shelter, food, clothing, medical and vocational training, administrative and technical manpower, care needs to be exercised whether all the inputs are provided or available in the right proportion and time to the organization. This would facilitate the funding agencies have a better control over the schemes and standard of services to be rendered by the voluntary organizations.

It is essential that the funding organizations exercise care in the formulation of schemes and the conditions attached to them. The more realistic and coordinated they are, more effective would be the utilization of grants. As has been mentioned in the previous chapter, the factors which are coming in the way of functioning of the grants-in-aid system are the diversity in the rate and quantum of grants, the matching contributions required, release and sanction mechanisms, detailed formulation of schemes and norms and yardsticks, review of schemes, follow up and supervision pertaining to utilization of grants. These will be discussed below:

Rate and quantum of grants:

The situation as it obtains at present is that the rate of grant given by the various funding agencies for the same purpose is vastly diverse. For example, the Department of Social Welfare of the Government of Tamilnadu gives maintenance grant to orphanages/destitute Homes at rate of Rs. 14/= per month per orphan/Destitute and Rs. 30/= for handicapped child. The Department of Correctional Administration of Tamilnadu Government gives at the rate of Rs. 45/= per month per inmate. The Ministry of Social Welfare, Government of India gives Rs. 75/= per month per

child as maintenance grant under its Scheme for Destitute Children. No distinction is made as between young ones and teenage children. Different rates of per capita grants are given to voluntary organizations catering to the same target group, for the same purpose and for agencies operating within the same State.

Similar situation is obtaining in the State of Maharashtra also. Under the scheme of non-institutional services for homeless and destitute children the Social Welfare Department of the Government of Maharashtra gives maintenance grant (including education) at the rate of Rs. 50/= per month per child whereas the Ministry of Social Welfare, Government of India gives Rs. 75/= per month per child under its Foster Care Services Scheme. Social Welfare Department, Government of Maharashtra gives maintenance grant to fit person's institutions/ certified schools at the rate of Rs. 25/= and Rs. 30/= per month per child depending upon whether the institution is situated at moffusil areas or in the city of Bombay. In addition Rs. 5/=, Rs. 2/= and Rs. 10/= are paid per month per child towards education, books recreation and medical expenses respectively. Under its Leprosy Control Scheme, Maharashtra

Social Welfare Department pays maintenance grant to orphans of Lepers and non-infected children born of affected parents at the rate of Rs. 20/= per month per child besides paying one third of the establishment expenditure of the home. The maintenance grant given towards maintenance of adult lepers, destitute women, physically handicapped is at the rate of Rs. 60/= and Rs. 65/= per month per male and female respectively. However, the State Government gives a recurring grant of Rs. 30/= per month per inmate or 50 percent of the recurring expenditure actually incurred on food, clothing, medicines, rent of building, salaries of staff etc. whichever is less, under its welfare scheme for the aged and the infirm. In case of homes for lepers, physically and mentally handicapped and destitute women the maintenance expenditure of Rs. 60/= and Rs. 65/= which is effective from 1.8.80 is in addition to the grant-in-aid given to meet part of the establishment expenditure on staff etc.

In the Union Territory of Delhi also, the situation is not very different. The Delhi Administration's Department of Social Welfare gives maintenance grant to voluntary organizations for providing social services at the rate of Rs. 100/= per month per inmate.

(effective from 1.4.80) and Rs. 30/= per month per child or 50 percent of the total expenditure incurred on approved items whichever is less. Institutions giving residential service to physically handicapped; however get 70 percent of the total expenditure on approved items. In respect of services, other than institutionalisation, Delhi Administration meets 25 percent of the deficit. The Central Ministry of Social Welfare gives a monthly grant at the rate of Rs. 75/= per child. Under its scheme of short stay homes for women and children, Government of India gives Rs. 50/= per month per inmate besides meeting establishment expenses. The Department of Social Welfare, Government of Uttar Pradesh gives Rs. 75/= per month per inmate.

Besides the State and Central Governments, the maintenance grants on per capita basis are also given by the Central Social Welfare Board at the rate of Rs. 50/= per month per adult inmate under its scheme of vocational training for women. Maintenance grants by way of sponsorships are sometimes given by the foreign donors to voluntary agencies running institutional services to children, women and handicapped. Their rates are not uniform but are stated to be far higher (about Rs. 125-150), than the above two. However, these grants are not many.

Apart from the maintenance grants, there are grants-in-aid given towards the salaries of staff of voluntary organisations such as matron, superintendents, teachers, social workers, clerks, accountants etc. Such types of grants are given by the State Governments, Central Social Welfare Board and also the Ministry of Social Welfare of the Government of India. Here also, the rate of grant and even the approved expenditure on the items are different although the input is meant for the same purpose. There is also variations in qualifications specified for the purpose. For example, in the State of Maharashtra, teaching and non-teaching staff of vocational training schools/institutions catering to the needs of physically and mentally handicapped are eligible for ~~cent~~ per cent grant towards their salaries, provident fund etc. They are also governed by and large by the State Government's prescribed qualifications. This is not, however the case in the State of Tamilnadu, Delhi or Uttar Pradesh. In Tamilnadu, the special allowance given by the education department to the teachers in special/schools for mentally handicapped children had been withdrawn when they were taken over by the Department of Social Welfare, Government of Tamil Nadu.

Contributions by the Voluntary Agencies:

The conditions governing the contributions which are expected to be made by the concerned voluntary organizations also are diverse and do not appear to be conforming to any rational criteria. The funding agency's contribution should reflect the priority attached to the service/target group which is proposed to be funded by the organization. The contribution of the voluntary agency is expected to demonstrate their interest in the scheme. It may rightly be assumed that greater the priority attached to the service/target group by the funding organization, higher would be the contribution by the funding agency. The ratio of contribution also is expected to vary as the priorities of the funding agency changes over a period of time. However, this does not appear to be so.

The schemes of the Central Social Welfare Board generally stipulate matching contributions by the voluntary agencies. It is true of one year general grants-in-aid and long term plan period grants. However, under its creche scheme for ailing and working women's children, the grant-in-aid is limited to 90 percent of the expenditure on approved items. The Board gives cent per cent grant for the schemes on Condensed Courses of Education for Adult Women, Holiday camps, Vocational Training for Woman and Training of Rural Women in Public Cooperation. The first two schemes are funded

from the mid-fifties and the last two from the seventies on cent per cent basis. However, Government of India's scheme of Vocational Training for Rehabilitation of Women in distress makes allowance upto 90 percent of the approved expenditure, out of which 45 percent is borne by the Central Government, 45 per cent by the State Government and the balance by the voluntary agency. The Ministry of Social Welfare, Government of India, gives grants-in-aid to voluntary agencies towards improving their organizational efficiency. This is almost similar to the Central Social Welfare Boards' General Grants-in-Aid Programme except that the Board gives these grants on a matching basis. Under the scheme, cent per cent of the expenditure incurred on salaries of professional and house keeping staff is met besides 50 percent of the expenditure on non-professional staff, purchase of office-equipment, stationery etc. However, institutions catering to the physically and mentally handicapped are eligible under the scheme to get 90 percent of the recurring and non-recurring expenditure as grants besides the full salary of professional and house keeping staff. The General Grants-in-Aid Programmes of the Central Social Welfare Board which is given for consolidation, improvement, and development and expansion includes all these items of expenditure but the grant part is limited to 50 per

cent of the approved expenditure only except in border and tribal areas. This creates an anomaly at the field level.

There are variations between the various funding organizations with regard to the percentage/quantum of non-recurring grants-in-aid given by them. The Ministry of Social Welfare, Government of India gives grant towards construction of working women's Hostels to the extent of 75 percent of the total estimated and approved expenditure and 90 percent in case of construction of cottages to house destitute children, subject to a maximum limit of Rs. 45,000/= per cottage. The Department of Social Welfare, Government of Maharashtra, gives non-recurring grant to institutions for physically handicapped to the extent of 50 percent of the estimated and approved cost of construction of the building. Delhi Administration gives 75 percent of the estimated and approved non-recurring expenditures for both building and equipment purposes. However, the ceiling limits in Delhi with regard to construction of new buildings is Rs. 75,000/= and for equipment it is Rs. 25,000/=. Thus there are variations as between State Governments in the quantum and percentage of non recurring grants-in-aid even though the construction costs do not vary much.

The reasons for the variations in respect of Central Governments' grants, State Government's grants and those of Central Social Welfare Board, are stated to be diverse.

The variations in the maintenance grants is due to the fact that those rates were decided upon when the scheme was first introduced taking into account the cost of living obtaining at the time. It is common knowledge that the cost of living has been going up consistantly over the last three decades. However, there seems to be no attempt either at the State or Central Government or Board level to review the rates of maintenance grants periodically. Recently, Maharashtra Government revised it from Rs. 45/= to Rs. 60/= & 65/= for some categories.

The complexity of the situation makes the voluntary organizations apply to those agencies and schemes which benefit them most.<sup>2</sup> For example, if an agency is getting grant from the State Government, say in Tamil Nadu, at the rate of Rs. 14/= per month per child for about 30 children, they would apply for the Government of India's grant for another batch of 30 children. They get both types of grants for the same purpose and target groups (not for the same set of inmates) but from two different sets of organizations and in the process are burdened with the

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2. For example, as Balvihar has been getting only Rs. 30/= per month per child they applied to Government of India for a grant under its scheme for destitute children under which they would have got Rs. 75/= per inmate per month. However, the grant was not made on the ground that the inmates are handicapped and not just destitute.

problem of accounting for two institutions, maintaining separate registers etc. However, they would be maintaining common kitchens and arrive at per capita expenditure on the child. Since they would like to get the maximum amount eligible, the tendency is to inflate the maintenance expenditure so that the per capita expenditure is the maximum eligible amount leading to an array of unsound practices. In actual practice, they may be spending an average of the two grants. This sort of a situation causes friction between those running the organizations and the inspecting staff. If the rate of grant is the same whichever is the funding agency, as long as the purpose and the beneficiary group remains the same, the voluntary agencies would have preferred to be accountable to one funding agency only. The situation obtaining at present taxes the limited accounting skills and the administrative staff of the organizations.

Formulation of Schemes:

There is also need for the rationalization of the grants-in-aid schemes in terms of services to be given to the same target groups. At present, the Central Social Welfare Board funds such schemes as the Welfare Extension Projects, Original Pattern, C.D. Pattern and Mahila Mandals, Family and Child Welfare Extension (FCW) Projects which

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\* The FCW projects are at present run by the State Boards and are entirely funded by the State Governments.

aim at giving multiple services such as craft training, nutrition education, maternity and medical benefits, balwadi/creche along with the provision of nutritious food. In addition to these schemes, the Central Social Welfare Board also gives funds to specific services such as nutrition, creche etc. to children. The State Governments also give grants-in-aid to Balwadis under their Integrated Child Development and Maternity and Child Development Programmes. Provision of nutritious food, creche facilities are common services given to this group under all these programmes. The quantum of funds that are spent in the year 1980-81 by the Central Social Welfare Board on the pre-school child is to the extent of Rs. 3.6 crores out of which Rs. 1.18 crores were for the nutrition programme and Rs. 2.19 crores for the creche programme. In addition under the composite welfare extension programmes which accounted for Rs. 0.72 crores, the Board had been funding the Balwadi / creche and nutrition schemes for children. Altogether, the Board itself is spending about Rs. 0.40 crores on the pre-school child. The rules for these schemes vary in their details such as admissible items of expenditure, the cost of the inputs, overhead expenses by way of personnel etc.

There is need to review and rationalize all these schemes in view of similarity of the target group and their needs,

on the basis of either an integrated approach (treating women and preschool child as one target group and taking into account all their needs) or on a specific service approach to individual target groups.

Rule 149 of the General Financial Rules clearly states that the grants-in-aid be made available to voluntary agencies on the basis of specific schemes drawn up in sufficient detail and duly approved by Government. It becomes, therefore imperative on the part of the funding agency to draw-up a scheme which would be sufficiently attractive to the voluntary agencies. This implies that the scheme be realistic, i.e., takes into account the conditions vastly obtaining at the field level and is drawn up in sufficient detail so that neither the funding agency nor the voluntary agency has any difficulty in understanding and interpreting the same. Ambiguity in the definition of the target groups, or the specification of the target groups or the components which would constitute permissible/relevant expenditure causes not only friction between the grant giving and receiving agencies, but also vitiates the project output and its final impact.

A persual of the various schemes that are formulated by the Central and State Governments and the Central Social

Welfare Board reveals that there is no Standard definition regarding the word 'destitute' even though many of their schemes are expected to be serving this group. The Ministry of Social Welfare defines the target group which is covered by its Schemes for the Welfare of Destitute Children and those in need of care and protection as:

- a) orphan and abandoned children without both parents and no near relations to look after them;
- b) children in single parent families where the husband died or children have to be looked after by the mother due to long imprisonment of the husband or desertion or vice versa and where the income of family is less than Rs. 250/= per month;
- c) children whose parents are unable to take care of them due to leprosy or mental illness;

However, under its supplementary Nutrition Programme which is implemented by the Central Social Welfare Board etc. eligibility for the benefit is limited to children coming from families having a monthly income of less than Rs. 300/=. The Ministry of Social Welfare, Government of India, under its Scheme for Handicapped Children, meets the full maintenance cost of those handicapped children whose family income is less than Rs. 750/= per month.

The Government of Tamil Nadu's definition of an orphan/destitute is that the income of the family is less than

Rs. 1200/= per annum. The intended beneficiaries are expected to bring a certificate to that effect from the **Thasildar** of their area.

The Central Social Welfare Board stipulates that children of working and ailing mothers whose family income (both parent's income) is less than Rs. 300/= per month are eligible for grants-in-aid under its Creche Programme. However, under its programme of Holiday Camps, the income limit of Families is Rs. 5000/= per annum. Thus, wherever the income criteria is applied to decide upon the target group, it varies from one agency to another. And it is always family income and not percapita income which is taken into account.

The Government of Maharashtra has not taken the income factor into account but has stipulated that the following categories of children are eligible for the benefits under its Scheme of Non-Institutional Services for Homeless and Destitute Children. The categories are:

1. Homeless
2. Victimised
3. Illegitimate
4. Shelterless
5. Children who are in need of care, assistance and protection.

3.

6. Children who are socially and economically weak and are in need of protection, care and shelter.

The Director of Social Welfare shall be the final authority to decide whether a particular child falls in the category or not.

Thus, there are different criteria devised to determine the target group's eligibility for a particular service and the standards applied are widely varying. In some cases the definition is too general giving scope for friction and sometimes even leading to malpractices.

Such types of variation are also to be seen in matters such as eligibility, age, maximum age limits upto which particular benefits could be taken under the schemes etc. For example, the Foster Care Services Scheme of the Ministry of Social Welfare, Government of India, is applicable to children below the age of 12 and those who are above the age are eligible for institutional care only. However, the Government of Maharashtra's scheme of Non-Institutional Services for Destitute Children permits the children to be with foster families upto the age of 16 but on the merits of the case even upto the age of 18. This is an area where it is necessary to have uniformity of approach for better implementation of the schemes. Mutual consultation and coordinated efforts in the formulation of schemes by the

various funding agencies goes a long way in mitigating such anomalies.

Since the grants-in-aid system operates on the basis of schematic pattern, it is necessary for the funding agencies to evolve schemes which have the primary objective of delivering a particular service to the target groups such as food and shelter, education, recreation etc. Each one of these services require in turn a number of inputs. For example, shelter means not only a building to house the inmates, but also facilities such as water, electricity. Likewise education may be requiring teachers, books, class room, educational equipment etc. As at present, in many instances, a piecemeal approach is being taken to fund the organizations due to the nature of the content of grants-in-aid schemes. The grants-in-aid schemes are formulated in an input-orientated manner instead of service delivery oriented fashion. The resulting situation is that one agency has a scheme to give grant for educational equipment and another agency to pay for the salaries of staff. Therefore, the voluntary agencies apply to the different grant giving agencies and try to get as far as possible all the inputs. Wherever they are not able to get, they bear the expenditure from their own funds, if available. Otherwise the quality of the service is eroded. In many cases, one or the other input necessary

for efficient delivery of a service. The general grants-in-aid programme (one year grants) of the Central Social Welfare Board and the Ministry of Social Welfare's Scheme of Assistance to Improve Organizational Efficiency are expected to take care of such missing links in the project inputs. However, this is not happening in the field situation except in the case of voluntary organizations with experience and standing. Such organizations, by virtue of their long experience are able to identify such gaps take a holistic view of their needs and apply for such grants. This is not so of smaller organizations and are less experienced. Therefore, in the formulation of schemes, there is need to take a holistic view of the needs of a service.

The voluntary organizations receive donations not only in cash but also in kind. They would like the donations in kind also to be considered in computing the matching part of their contribution. However, there does not appear to be any uniform procedure followed by all the funding organizations running an orphanage had mentioned that they receive every month from business houses certain items such as oil, soaps, flour etc. for their Home. These items are not allowed to be shown as their part of the contribution. Some other organizations who are receiving milk powder etc. from their foreign donors are not permitted to show it as part of their

contribution. However, in the audited statements of Income and Expenditure, some of the organizations have but a money value and showed them as income. There is need to have clear rules and procedure for allowing such contributions in kind and placing a value on them as matching contribution by the voluntary organizations.

Review and Revision of Schemes:

In respect of grants towards inputs such as personnel etc. For a specific scheme, no provision is made for some inputs in the earlier schemes. For example, under the welfare extension projects (original pattern) one of the activities is running of feeding centres (Balwadis). Provision was not made for the services of Bal Sevika as this is expected to be taken care of by the local community. The later schemes of Balwadi/Creche and Nutrition provide for the services of a Balsevika. However, the original pattern schemes have not been revised. Since grants-in-aid system is based on schematic patterns of assistance, it is necessary for the funding organizations to review and revise their schemes periodically so that they truly reflect the priorities of the organization, have some uniformity of principle and at the same time provide for the needs of the clientele group. If it is not done, there is likelihood that the situation

may be manipulated to benefit the voluntary organization's interest. This is an avoidable situation which is within the perfect control of the funding organizations.

One of the aims of the grants-in-aid schemes is to promote systematic welfare services on the basis of community self-help. Therefore, the principle of matching contribution is generally insisted on. However, in areas or in respect of services which the government considers necessary from the national point of view they can sponsor new schemes. It is generally done with cent per cent grants-in-aid so as to induce the voluntary organization to take up the service. As these services are accepted and become popular among the voluntary organizations and beneficiaries, the grants are to be tapered off. However, there seems to be little tapering off of grants in respect of schemes, such as Holiday Camps, Condensed Courses of Education for Adult Women, Vocational Training for Women, Functional Literacy for Women, Training of Rural Women in Public Cooperation etc. The general grants-in-aid which are meant for the improvement, consolidation, and development and expansion of services are also given for a number of years to the same organizations, leading to financial dependency by some of the organizations on grants-in-aid.

Norms and Standards of Service:

The grants-in-aid schemes while specifying the type of service that is to be given to the beneficiary group also have to specify the standard of service to be delivered. The responsibility to work out the feasible norms for delivery of such services, as food and shelter, education etc. rests with the funding agency. The grants-in-aid code of the Central Social Welfare Board gives a whole section entitled 'A guide to minimum standards for welfare Services'. The norms stated therein are expected to serve only as a broad guide and not as a perfect code of minimum standards to be rigidly enforced. They pertain to the administrative, financial and business procedures to be adopted in a welfare agency and also for institutional services rendered by them. But these are only general guidelines to be referred to by the voluntary agencies and field counselling officers. The Government of Maharashtra also has certain specified norms and minimum standards to be applied for residential services provided by the agencies.

For purposes of better control by the funding agencies it is necessary to spell out from time to time the standards of service that are expected from the agencies, wherever it is possible they are better built into the grants-in-aid

scheme itself. This should be specific and more realistic so that the Inspecting Welfare Officers are able to enforce the same. It is better to identify the most crucial elements and fix norms and enforce the same **better** than having norms for each and every thing. Since there are regional variations in the level of services it is necessary to frame the same in consultation with the field agencies. The State Boards have a greater role to play in the evolution of feasible norms for minimum standards of service in consultation with district welfare officers, the State Governments and Voluntary Agencies and enforce the same. Here uniformity of approach is likely to be futile. The tendency of the agencies, when once the standards are set is to continue them for-ever. It is essential that, as the situation at the field level varies, they will have to be modified. The system of supervision also needs to be strengthened to enforce the same.

#### Utilization of Grants:

One of the areas of friction between the grant giving and grant-seeking agencies is the adherence to itemized expenditure and enforcement of rule governing re-appropriation of expenditure as between the items of expenditure approved. This difficulty has been mentioned by most of the voluntary

organizations' office-bearers interviewed and also by officials of some of the State Boards. The rule has been framed with a view to ensure proper utilization of the grant. One of the assumptions behind the rule is that at the time of considering the items of expenditure and the amount thereon for approval, considerable thinking has gone into working out the nature of the cost to be incurred and that the situation obtaining at the field level has been taken note of. However, in actual practice, it has been found that it is not always so. Since the voluntary organizations' main aim is to get some financial assistance to carry on their activities they invariably agree to the conditions attached to the grant, one of which is to agree to abide by the itemized expenditure pattern. But after the receipt of grant they find it difficult to abide to the same and ask for permission to reappropriate.

Sometimes, it is also difficult for the Central Government and the Central Social Welfare Board to formulate schemes applicable to the whole of India, to take full note of the regional variations obtaining at the field level. There is, to some extent, awareness of the difficulty in applying strictly the itemized pattern all over India at the top level of the bureaucracy but it hasn't percolated down

the ladder. This leads to strict enforcement of itemized expenditure. Therefore, the voluntary organizations may be finding it difficult to comply with the itemized expenditure of the scheme and may be requiring some changes therein. Some of the organizations are not even aware of the possibility of reappropriating within certain limits with the permission of the funding agency.

In the formulation of schemes, it is therefore necessary that the funding agencies make a realistic assessment of the inputs required and expenditure towards the same. The Ministry of Social Welfare and the Central Social Welfare Board whose schemes are applicable to the whole country may circulate their scheme before finalization to the State Boards and Departments'. In the light of the comments, it is possible to decide upon the limits within which the State Governments and State Boards may be given the power to permit reappropriations. The State Boards need to be given greater powers of delegation in this respect. The extent of such delegation may have to be worked out by the Central Social Welfare Board and Central Government.

The grants-in-aid rules also require that the audited statement of accounts be submitted by the receiving agency. This is to ensure proper utilization of grant. In view of

the difficulty faced by the smaller organizations in rural areas to obtain audited statement of accounts, they were allowed to submit certificate of utilization endorsed by a Gazetted Officer or a Member of Parliament. The smaller organizations find this one also difficult because the officers would not like to certify the utilization of funds as they do not have much knowledge about the functioning of the organization and members of Parliament may not be available in time. Therefore, compliance with post-utilization procedure is stated to be cumbersome. The voluntary organizations do not seem to appreciate the fact that public accountability requires that Government money has to be properly accounted for, irrespective of the amount of money involved. They will have to realise this and the bureaucratic personnel at the local level also need to be oriented to control and monitor those items which are more important from the point of view of project effectiveness. It would be more feasible, if the voluntary organizations coopt the local level officers to their managing committee in semi-urban and rural areas.

Procedure for Sanction and Release:

Another difficulty frequently mentioned by the voluntary agencies is in respect of the procedure adopted for considering the agencies' applications for sanction and

delay in the release of grants. The delay in sanction and release is stated to be true of most of the funding agencies. In respect of grants from the Central Ministry of Social Welfare some of the organizations stated that the delay has been found to be less when applications were sent directly to the Ministry. The schemes in which the Ministry entertain's applications directly are not many. Generally, Central Department calls for applications through the State Government to ensure proper selection of the organization.

The financial rules stipulate the procedure to be followed for sanction and release. The main difficulty appears to be the lack of knowledge about the types of documents and information to be submitted and inability to formulate project proposals with clarity on the part of the grant seeking agencies. Although they are aware that they have to submit the objectives of their institution, its constitution, registration number/certificate, audited statement of accounts etc., some of them do not appreciate the purpose and spirit behind it. Some of the smaller organizations functioning in semi-urban areas face genuine difficulty due to lack of proper manpower required for the task besides lack of adequate knowledge. The problem arises partly due to the loose structuring and flexible functioning

of these organizations. The organizations are concerned about raising funds and utilising the same and pay very little attention to record keeping and accounting. In many of the smaller organizations, the Secretary is the fund raiser, custodian of funds, implementer of projects, accountant etc. The low salaries offered by these organizations do not attract qualified personnel. The office-bearers themselves have inadequate accounting and book-keeping knowledge, especially which is required for purposes of government accounting. The result is that sometimes they send applications for consideration of grant with inadequate information. On the other hand the funding agencies also do not raise all the queries or call for all the relevant information in the first instance itself but go on asking for it time and again. The processing of information is done in routine fashion due to lack of proper appreciation of the field problems faced by the organizations. Sometimes, they take undue time to reply and the grant seeking agencies do not know whether the grant would be sanctioned or not.

The screening of the applications, by the State Boards, in case of Central Social Welfare Board's funds and by State Governments in respect of Government of India's grants, also takes long time. Datewise analysis of the to and fro

communication between the grant giving and some of the grant seeking organizations and its content revealed that there is lot of scope for improving the internal systems and procedures for processing and sanctioning of the funding organizations. In many instances, the release of grant is made towards the fag end of the year i.e. end of February or March. The queries raised are on minor points. In respect of Central Social Welfare Boards grants, sanction could not be given due to delay in receiving the welfare officer's or concerned member's reports. The bigger organizations with some financial standing do not have much difficulty in continuing the activity but the smaller ones are not in a position to do so resulting in reduced effectiveness of the grant and ultimately the service.

Another factor causing delays in the processing of applications and sanction of grants is the late receipt of applications by the funding agencies. An examination of the files of some of the grant-seeking organizations revealed that applications are usually sent in the months of March, April, May. It would help expedite the matters if the procedure is to call for applications towards October/ November of every year, for grants required in the ensuing financial year. This gives time for the funding agencies to screen the applications and sanction the same in time.

It would also help if the schemes of the funding agencies are advertised in the local news papers well in advance of calling for applications. This would give enough understanding and time to the smaller agencies to apply for grants. Generally, these are the types of organizations who are handicapped due to lack of timely and adequate knowledge.

It would also help expedite sanction of grants if the funding agencies, through their field staff, collect on a continuing basis, information about the voluntary organizations and maintain an approved list of such organizations which are doing well. The Central Board, State Boards and the State Governments, could fruitfully coordinate for the purpose. The Central Social Welfare Board's field level staff could keep the list of organizations operating in metropolitan cities and town areas whereas the State Governments could do the same about those agencies functioning in rural and semiurban, small town areas. The criteria to be applied for recognition etc. may be worked out together by the Central and State Governments and Central and State Welfare Boards.

Supervision and follow up:

One of the areas of friction between the funding and grant seeking agencies is in respect of the manner and spirit

with which supervision is done by the field staff of the funding agencies. The concern of the officers, be they from the State Government or Central Social Welfare Board is to go by the letter of the law, ignoring its spirit. The verification of accounts is mainly from the fault finding angle rather than to find out the wilful irregularities and short comings in the system and procedures of internal accounting of the organizations and offer positive suggestions. The inspection should also take into account not only the shortcomings in accounting for a particular item of expenditure with support documents but also to look at the whole system of accounting and book keeping procedures followed by the voluntary agencies and give suggestions in this regard.

Many of the voluntary organizations are not well structured, nor their staff well trained to do the accounting and book keeping from the public accountability point of view. Neither the local donors nor foreign donors ask for the strict accountability of funds, as is done by the Government. They go more by the services rendered and their effectiveness in terms of target group satisfaction and community approval. Therefore, the management of the voluntary agencies, especially the smaller ones who are genuinely interested in social work feel that while the

government funds help them in getting credibility vis-a-vis the community and the local and foreign donors, it is too cumbersome to apply, pursue and account for it. The field level officers also, even if they are aware of the work done by the agency could not afford to overlook any small shortcoming in accounting of funds. The lacunae in the precise formulation of rules governing individual schemes gives lot of flexibility for interpretation and is at present used by the field staff either way depending upon the calibre of the officer. The management of the voluntary officers would be unable to know the exact position vis-a-vis the rule. For example, what constitutes the matching part of the contribution? Whether it is only the cash portion of the "donations" in kind also would be taken into account is not known to all concerned.

In some cases, it has been mentioned that if a particular organization is giving grant to a voluntary agency towards the maintenance of 30 out of 100 children in its orphanage the field staff refuse to accept the per capital expenditure incurred by the Home (on the basis of accounts etc.) as the basis for arriving at the cost of maintenance of 30 children. Some organisations mentioned that in the event of three or four days of hospitalization

of the inmates, the grant is cut to that extent because it would be duplication of funding since the inmate has received treatment and also diet from the hospital. The maintenance of attendance registers, hospitalization papers etc. to prove the time of admission and release, are found to be cumbersome by the organization. Here the orientation and calibre of the field staff in assessing the genuineness of the case in hand becomes more relevant.

The emphasis of supervision and monitoring is only on the account of funds, inventory etc. i.e. strict financial accountability in the narrow sense of the term i.e. to abide by the letter of the law. The effect of the utilization of funds, the minimum standards of services given by the organization have been secondary. The field counselling which is expected to be strengthened through the induction of trained social workers also is almost non-existing. The advice on how to improve the effectiveness of a service is hard to come across in evaluation/inspection reports made by the field staff. Occasionally one would come across a comment on the standard of service given to the clientele group. This type of supervision and monitoring would hardly help in the evaluation of either the proper utilization of grant or the effectiveness of the services delivered. The chapter on monitoring and evaluation will be dealing with this aspect in more detail.

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## CHAPTER VI

### CO-ORDINATION

Co-ordination in the present context refers to the relationship with the organization (vertical) i.e. the Social Welfare Departments and the Social Welfare Boards and between them (horizontal). Co-ordination in various spheres of activities in which the Departments and the Boards impinge on each other is necessary for a better and effective approach to the grants-in-aid scheme. The more important aspects in which there is a need for co-ordination are (1) Policy formulation (2) Formulation/ Selection of Programmes for grants (3) Selection of Voluntary organizations (4) Rules governing grants-in-aid and (5) Monitoring and evaluation.

Policy is not confined to aspects of grants-in-aid only. It refers to the total approach to welfare and welfare programmes. As has been mentioned earlier, the CSWB was expected to play an important role in the formulation of the policy of the government. Similarly, when the State Boards were set up it was assumed that they too would play a critical role in the formulation of policies and programmes at the State level. The need for co-ordination is crucial in dealing with various aspects of welfare. The fact that nearly a third of the

budget of the social welfare ministry is given as grant to CSWB, (1981) makes it imperative to have co-ordinated approach.

It must be made clear that co-ordination does not refer to absolute or complete agreement on the approach or the selection of programmes. However, the need for understanding and delineation of roles with regard to the formulation and implementation of the programmes and schemes to mitigate adverse social conditions cannot be denied.

The policies and the programmes are for the whole country and hence the extent of co-ordination at the vertical level (with the State Departments or State Boards) could be an important element in the effective implementation of the programmes.

As already indicated in the chapter on policy, there is some interaction between the States, the Centre and Planning Commission at the stage of policy formulation of the Ministry of Social Welfare. The centrally sponsored programmes are discussed. However, the role of the State in the formulation of these programmes is limited. When it comes to operationalization of the programmes in terms of rules and regulations, the manner of implementation, etc. by and large it is the state, which is responsible.

Although the State Departments may have had little say in the formulation of the centrally sponsored programmes, they tend to implement the programmes more because of the availability of funds rather than real commitment to them. If the programmes were a consequence of a need in a State, then the approach could be different.

There is little interaction between the Central Ministry and the State Departments with regard to the programmes initiated by the State Departments. The State programmes are expected to meet specific needs of the area. There is little effort by the State Departments to discuss these activities with the Centre either in terms of its feasibility or help in guidance, supervision and monitoring. As mentioned earlier, the Centre also does not seem to specifically discuss with each State of the relevance of the sponsored programmes to them. There is scope for further interaction in the formulation of policy and programmes, the manner of implementation and monitoring between the Central Departments and State Departments.

The Central Ministry has representative on the CSWB's Executive Committee. The arrangement allows for some interaction in the policy formulation of the CSWB. The CSWB itself has representation on some of the committees of the Ministry - National Children Board, National Women's

Welfare Board, etc. where it is expected that they would be able to influence policies and programmes in those areas. The CSWB on the whole has very limited influence on the processes of policy formulation of the Department.

Needless to say that the situation is not a particularly happy one. In view of the fact that the various social problems are to be dealt with between the social welfare departments and the CSWB, it is very necessary for greater interaction on the policy formulation. At present it looks as though the relationship between the two are, of donor and recipient.

The situation at the State level is not very different though there are variations. In Maharashtra the State Board felt that they did play a part in deciding on the policy by the State Department. The State Department also reciprocated the feeling. It further felt that there was need, and that there could be greater co-ordination between the Board and department in many spheres of activities. There was no such feeling either in UP or in Delhi. In Tamil Nadu the Department has sole say in the matter of policy formulation and the Board tends to be treated as a subordinate office. The original expectation of a critical role for the Board has not been fulfilled.

With regard to the programmes, there appears to be a division of the areas in most cases. While the departments have tended to cater to the needs of the physically handicapped and socially handicapped - such as backward groups, social defence, etc. the Boards have tended to concentrate more on socio-economic and other programmes for women and the destitute and orphan children. In the matter of grants, the Boards generally give grants for carrying on programmes (recurring, maintenance etc.), whereas the States give grants for building equipment, etc. (material and usually maintenance for institutionalization and non-recurring). However, it must also be noted that the CSWB at times does provide funds for building and equipment.

There seems to be some overlap in the Balwadi and Creche programmes as well as A N P, where it still operates, particularly in the nutrition aspect of the programme. One of the components of ICDS programme is nutrition. Both the Boards and Departments give grants to voluntary organizations for these programmes. There is sometimes a problem of allocating grants in these programmes. Otherwise there is a fairly clear-cut division as to the areas to be funded by the Department and the Board. At times, there are instances of both the Board and Department having giving grants to the same voluntary organizations. May be

a greater interaction between the Department and Board would allow for one agency to give the total grant. This may however call for greater flexibility in the approach and purpose of giving grants.

One aspect of the co-ordination with grants that need to be looked at is the multiplicity of the organizations that might be funding a voluntary organisation for its various activities. The Ministries of Education, Health, Rural Reconstruction - all give grants to various programmes particularly in the rural areas. In urban areas at times the municipalities support activities of some voluntary organizations. It was also noticed, many of the voluntary organizations had received funds from organizations abroad.

A few of the voluntary organizations got substantial grants whereas others had very little. Some effort by the Boards and the Departments need to be made to analyse the activities of the voluntary organizations and the funding sources. Such an effort could lead to a greater rationalization of the funding process.

Another matter needs to be further studied is that some organizations got grants for different activities from the Board or the Department. The Boards give grants for on-going programmes. They also provide funds for increasing

personnel efficiency. It is not often clear whether the grants to the on-going programme includes provision for the personnel. Such a fragmented approach is not likely to be conducive to efficient performance of voluntary organization. The State Boards have to follow the approach laid down by the CSWB. Greater interaction is necessary between the State Boards and the CSWB with regard to such fragmented approach to funding voluntary organizations.

The criteria for selecting voluntary organizations is more or less similar to both the Departments and the Boards. The voluntary organizations should be registered under the Society's Registration Act and should have been functioning for a period of three years before they are eligible for grants. However, there are a few cases when the rule is not strictly adhered to particularly by the Board. The cautious approach to funding is partly to safeguard public money.

This approach, however, raises a number of questions. At times, there are many small organizations which could be merged, allowing for greater stability and may be wider coverage. On the other hand such an effort could also mean further concentration of voluntary organizations in urban areas. As it is the preponderant area of operation of most voluntary organizations is usually large urban areas.

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Further, if a new activity is to be undertaken by a new voluntary organization, even if the Board or the Department accept it as desirable there would be difficulties for giving grants to such an organization. The need for having a community base for launching programmes can not be overlooked. Hence the rules are necessary. Otherwise there could be a plethora of voluntary organizations which are not sincerely committed to social service. There could, however, be exceptions - the only thing that could probably be done is to play it by the ear but this too could have its own repercussions.

The voluntary organization has to fulfil certain prescribed conditions. It should be independent of government with some set of principles and objectives. It should be a registered society having necessary experience and managerial ability to carry out the programmes. It should be in a financially sound position and should be free from corrupt practices. Apart from this, the voluntary organizations have to submit audited statements of accounts maintaining a separate account for the government grants. The grants given for a particular scheme cannot be diverted. Governmental procedures are to be followed in purchases.

The rules of the Board are also similar for giving grants to voluntary organizations. There can be said to be co-ordination in the rules for selecting voluntary organization

for grants. The question however, is whether similarity or duplication of rules is functional for the Board fulfilling its objectives of encouraging innovative action.

The State Boards fund the programmes for which grants are available from the CSWB. The CSWB generally tends to decide priorities on its own. There are representatives from the State Boards on the CSWB. The Annual meetings of Chairmen also provide an opportunity for discussion of the programmes. However, there was some feeling among the States and there are differences in the different areas and the State Boards should have greater role in deciding on the priority areas for programmes. The grants tend to be for schematic programmes. At times, such programmes may not be relevant for particular areas. This may explain non-expenditure of funds, in some specific programmes and activities.

One of the problems with regard to grants-in-aid is that the grant is perceived merely as a form of financial assistance. The purpose of the grants is more than just monetary assistance. They are to help in experimentation in programmes and methods. The voluntary organizations, are therefore, to be encouraging to tread fresh pastures and new avenues. While the voluntary organizations themselves are to seek new areas of activities, it was also anticipated

that Boards and Departments through the introduction of new schemes for Grant-in-aid, guidance, supervision, monitoring and evaluation would help the voluntary organizations to understand the emerging needs and problems and introduce programmes to counteract them. The arrangement in most States for providing guidance and supervision by the State Departments is very inadequate. The situation is not very different in the State Boards also. In the State and District Welfare Officers are expected to perform the function. In some cases the person incharge of State run institutions are to look at the voluntary organizations. In some States, there are Inspection Officers who are expected to supervise the voluntary organizations. The approach in most of the States is to examine the maintenance of accounts rather than the purpose for which the grant was given and whether objectives are being achieved. There is little co-ordination between the Board and the State Department in developing effective mechanism for guiding, supervision, monitoring and evaluating the functioning of the voluntary organizations.

In sum, it can be said that the overall impression is that between the Department and the Board not much effort is made for sufficient interaction which would enable the voluntary organizations to fulfil the objective of meeting specific needs in the society or taking up new activities.

The problem is with regard to both vertical and horizontal relations. The State Departments do not have much part in the formulation of policies and programmes by the Centre. The State Boards accept the schemes suggested by the CSWB. The relationship between the Boards and the Departments at the State level leave much to be desired. The criteria for selecting voluntary organizations for funding and the rules of the grants are rather similar - but whether it is right approach particularly for the Board is questionable as it tends to restrict its ability to meet the objectives for which it was originally set up.

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## CHAPTER VII

### MONITORING AND EVALUATION

Too often the grants-in-aid have been conceived merely in terms of monetary assistance to the voluntary organizations. However, there is more to it. The purpose of the grants is to provide a stimulus for voluntary action to meet emerging social needs of the society. Innovative approaches are expected to be undertaken by the organizations receiving grants. Such activities were to be sustained by guidance and supervision to be provided by the grants giving bodies be it the Department or the Board. The guidance is to help the voluntary organizations to plan and develop services.

From a conceptual point of view, monitoring and evaluation can be considered as "forms of management information and action oriented analysis". It is gathering information among other things, "utilization of project inputs and unfolding of project activities." Information, thus, generated should help in a more efficient implementation, in the achievement of objectives of the organization. The type of evaluation that is envisaged with regard to the activities of the voluntary organizations might be termed "on going" evaluation as the organizations are expected to

continue to provide the services.

"Ongoing evaluation is an action oriented analysis of the project effects and impacts compared to anticipation to be carried out during implementation.

It is designed to suggest solution to problems of project execution, some of which may have been identified as a result of monitoring --- a major objective is to make an indepth assessment of whether the project's defined target group is getting the benefits .....".

Judged by these criteria, the purpose and the functioning of the supervisory staff of either the Department or the Board seems to be very inadequate. Monitoring is thought in terms of compilation of data or routine reporting data presented in annual reports.etc. The system that obtains now does not help in better implementation of the programme. In fact, the purpose of "inspection" is rather narrowly defined. It is often a brief and cursory visit to check the maintenance of accounts, records, number of inmates and other physical facilities. A former secretary of the CSWB said: "Another weak link in our system of Grants-in-aid is proper assessment of the utilization of the grant to see whether desired benefits have reached the desired persons and evaluation of programmes with a view to modify them to suit varying conditions and overcome

practical problems, and attempt timely modification of programmes according to evaluative studies.

A study undertaken by the P.O in 1971 felt that the visits by the supervisory staff was inadequate. It made the following further observations. About two-thirds of the institutions studied had been visited by the officials of the CSWB/SSWB/ and State Government. However, there was no regularity in these visits. The programme staff who visited the institutions felt only about 40 percent were functioning satisfactorily. The deficiencies referred to method of organization of services, resources but no remedial suggestions were made.

The arrangements in most states for providing guidance and supervision by the State Board at present is extremely inadequate. The CSWB appoints Welfare Officers and Assistant Project Officers for purpose of field counselling and inspection, at the State level. As of March, 1981 only 17 out of 40 sanctioned posts of Assistant Project Officers were in position. Of the 163 posts sanctioned for Welfare Officers, 90 were in position. These Officers were not able to visit all the institutions even once in a year as the number of institutions which are getting grants has increased a great deal. For the year 1980-81 3494 reports were received, whereas the number of organizations receiving grants is estimated at

around 7000. In the States studied (TN, UP, MA and Delhi) all the positions were filled. In spite of it the number of reports submitted in these States clearly indicate the need for reconsideration of the approach to monitoring supervision and guidance. In Tamil Nadu 437 reports were submitted whereas the number of organizations receiving grants is 1300, in UP, 365 out of 1500 and Maharashtra 151 out of 200 and Delhi 99 out of 100.

The members of the Executive Committee of the State Boards are allotted a number of organizations which they are expected to visit and provide guidance. The responsibilities may be given areawise, programme wise or specific institutions. The Chairmen of the Board felt there was substantial scope for greater effort by the members.

The monitoring is thought more in terms of monitoring the grants rather than the programme activities. The Welfare Officers appointed by the CSWB, generally have training in Social Work. However, as their number is inadequate to cover all the institutions or spend substantial time with the organization, the visits are often a matter of filling a pre-prepared form. The Welfare Officers also tend to look at maintenance of accounts, maintenance of records and physical facilities. A list of the activities undertaken by the organizations is also prepared. A perusal of the inspection

reports leaves much to be desired. In hardly, any of them is their an assesment regarding the implementation/ of the projects or suggestions for new activities. The inspection hence tended to be more concerned with accounts and materials and physical presence of inmates rather than relevance and methods of implementation and their impact on the beneficiories. A monitoring system needs to look into all aspects of the functioning of a programme.

The arrangement for 'Supervision' of the organizations receiving grants from the departments is varied. In UP the officers of the Department are expected to visit the organizations and make a check of their accounts, records etc. The major burden of overall supervision is on the District Welfare Officers. Recently, an intensive programme of 'inspection' was undertaken by the State Department. About 30 to 40 percent of the organizations were found to be nonfunctioning, hence criminal procedures have been initiated against them. The amount to be recovered of these procedures is estimated as Rs. 40 lakhs. In Tamil Nadu, the Department's Inspection Officers are expected to visit the various organizations but their major job is one of checking accounts. The inspection is to ensure that the funds are spent for the purpose for which they are sanctioned and are utilized in accordance with the financial procedures and rules. That is, that every item of expenditure is supported to by proper bills and vouchers etc.

They are also looking into the stores and inventory, equipment and other physical facilities of the organizations. They are not concerned with the adequacy or otherwise of the project inputs and the effect of the same on the delivery of services. The district welfare officers are expected to study the functioning of the organizations.

The member of the Board are expected to visit the allotted voluntary organization ; but only a few take sufficient interest. Moreover as only Rs. 25/= is given as Taxi fare to examine the socio-economic programmes, not many undertake it, as they would have to spend money of their own. Transport problem was also mentioned with regard to supervision by the Welfare Project Officers. Only in a World Bank supported project in Tamil Nadu, (Integrated Nutrition) there seemed to be adequate provide on for Evaluation.

In Delhi, the Officers employed to supervise the departmentally run institutions are also given the functions of supervising the voluntary organizations receiving grants from the department. This is an additional duty and it is admitted that the arrangements have not been too satisfactory. The officers from the department visit the organizations infrequently to check the maintenance of accounts and records only.

In Maharashtra, there are Inspection Officers whose major responsibility is to supervise the maintenance of accounts, stores etc. The District Welfare Officers are expected to supervise, guide and help the voluntary organizations to plan the programme. It may be of interest to note that in some of the States visited were there any trained social workers to provide 'Supervisions' and guidance to the voluntary organizations.

There are a number of problems that need to be considered to make the functioning of the Welfare Officers more meaningful, purposive and functional. There is need to reconsider the nomenclature "inspection". The word inspection has negative connotations and hence needs to be changed. Maybe, they could be termed "counselling". The guidance could be with regard to maintenance of accounts as well as programme.

The areas in which the voluntary organizations need help are varied .... Most of them do not have a clear idea about the maintenance of accounts or records. By themselves, most would not be able to undertake an objective appraisal of the activities undertaken by them and whether these are benefiting the target group.

Much less is the capacity of many of them to visualize new types of programmes that may be more relevant. There is a tendency to keep to the beaten track. The functions of the

Officers, therefore, would be manifold. The need is, therefore, to recruit people who have the necessary training to fulfil these tasks. May be, further training needs to be arranged for them. The number Welfare Officers allotted to each state is not adequate to fulfil roles envisaged. There is need to consider the possibility of increasing their numbers.

The grants-in-aid must be used not only for ensuring stewardship for management of financial and other resources of the voluntary organizations but also to help them see new vistas and launch fresh activities. Effective monitoring should result in such an effort. The present situation sadly lacks such a possibility.

The process of monitoring is itself not being carried out effectively due to various constraints. The capacity to conduct comprehensive evaluation studies in the departments as well as the Boards is extremely limited. It may be better for CSWB/SSWB and the Departments of Social Welfare to request external agencies to conduct such studies. There is need to make a budget provision for enabling the Boards and Departments to request different agencies to undertake evaluative studies.

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## CHAPTER VIII

### ASSESSMENT OF VOLUNTARY ORGANIZATIONS

Assessment of voluntary organisation can be done either in terms of the service rendered to the clientele and the level of their satisfaction or in terms of its capacity to mobilise voluntary support from the community at large. Yet another way would be to assess the work of various organizations in a historical perspective both in terms of the coverage and expansion of their activities. However, it has to be admitted that comprehensive assessment of the working of the voluntary organizations would require covering all these aspects.

In the present study, however, our assessment is mainly cast in terms of the stated goals and activities, formal organisational structure and the pattern of income and expenditure as given in the final statement of accounts for three years preceding.<sup>4</sup> Although such an approach has some limitations in making an overall assessment, yet it does provide adequate scope to assess the organisational structure and coverage both in terms of clientele and nature of activities and also their capability in mobilising voluntary resources. The present study is concerned with

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4. In a few cases accounts for all three years were not available.

financing of voluntary organisations. We shall, therefore examine their sources of finances, the problems they encounter and the pattern of their expenditure. However, before analysing the activities of voluntary organisations within the framework provided above, it will be useful to give a brief historical sketch of the development of voluntary organisations, as it has a direct bearing on their financial sources as well as on their organisational structure and activities.

Prior to independence, the inspiration for the setting up of voluntary organisations to cater to the needs of people came either from those who were sensitive and keen on providing help and assistance to the deprived, destitute and deserted or from religious impulse for doing good to their unfortunate fellow beings. These inner urges in fact influenced the development of social welfare activities. These activities were undertaken in response to the needs of different sections in a given community. Financial support for such activities was largely mobilised by voluntary efforts. Since people donated to these activities they had a general interest in these organisations. Besides contributing money they

took interest in their working by way of voluntary participation in the activities of the organizations. The people who undertook the responsibility of running these institutions were inspired by a sense of missionary zeal and enthusiasm and had a deep commitment to the cause. Since such organizations were run either by individuals or by a few like-minded people there were fewer organisational problems. These organisations were simple in nature as they were informal and they did not have to comply to formal procedures. Since there was a deep commitment to the cause, most of these people took the moral responsibility of utilising the resources in the service of the clientele. This kind of moral commitment and some community participation served as an adequate check for proper utilisation of financial resources and did not call for elaborate accounting procedures.

The situation, however, changed after independence. The Government felt the need to support the voluntary effort in the social welfare sector and the Central Social Welfare Board was established in the year 1953, with a view to providing financial aid and technical assistance, to the voluntary organisations for improving and expanding welfare services for women, children, the handicapped, etc. Such financial support from a centralised body

had implications on the organisation, its internal functioning, inter-personal relationships, recruitment of staff, management and accounting procedures and practices. For instance, if an organisation wanted financial assistance from CSWB or State or Central Government or any other governmental source, it had to meet the specified conditions in order to qualify for such assistance.. This means that it had to be run under the auspices of a registered society, cater to the needs of certain clientele group and render accounts of the grant so received. This obviously imposed a variety of restrictions on the people carrying out such activities and did not allow them to operate freely as they once had. In order to meet the requirements of the grant-giving agency, these organisations had to set up certain procedures and adhere to the same. This has made the organisation complex, and informality is gradually replaced by greater and greater formalisation of roles, procedures etc. Thus, the working of the present voluntary organisations has to be viewed in this perspective and within the above framework. We shall discuss the working of the voluntary agencies in terms of their organisational structure, aims and objectives,

activities and finances.

Organisation and Management:

Voluntary agencies covered under the study may be classified into three broad categories in terms of their coverage. They may be working at the local, state and national levels. The area of their operation also determines their internal organisation as they have to coordinate the activities at different levels or be confined only to a small geographical area. In all 26 organisations were studied. . Of these 23 were working at local level, one at state level and two were national level organisations. All the organisations were registered under the Societies Registration Act of 1860. This is a prescribed eligibility<sup>condition</sup> for getting grants from the Ministry of Social Welfare Central and State Social Welfare Boards and the State Governments.

The majority of the organisations provided for four types of membership (i) ordinary member (ii) life member, (iii) founder members (iv) patrons. Two organisations provided for Honorary membership also. Patrons were enrolled only in three organisations. The membership of these organisations varied from 46 to 1900 members.

As a requirement of the Societies Registration Act, the constitution of the majority of the organisations provided for decision-making bodies like the general body and the executive committee. In addition to these decision-making bodies, there were office-bearers like President, Vice-President, Secretary and Treasurer. Some organisations had posts like Joint-Secretary or Assistant Secretary to help the General Secretaries. The constitution of the majority of the organisations provided for election of the various office bearers and members of the executive committee. In the case of 5 organisations the constitution provided for a nominated executive committee and only in one organisation were the office-bearers to be nominated by the trustees. In addition to these decision-making bodies and various office bearers who generally did not take salaries, there were technical, managerial and supportive staff who were paid employees.

It is interesting to note that though the constitution of majority of the organisations provided for election of office-bearers, the tendency was for the same people to be elected again and again; hence there was little change in leadership. The reason mentioned for the situation was that some of them had been instrumental in the setting up

of the organisation and hence based on abiding commitment. Moreover, not many others were fourth coming to give of their time and effort over a period of time. It was also noticed that in the voluntary organisations there was a general tendency to induct at the local level such people who derived their status and power outside the realm of welfare work. They were inducted into these organisations because they increased the standing of these organisations and in the process made it easier for them to get grants and other assistance from government.

It was observed that the salaries of the employees in the various voluntary organisations were relatively low as compared with those of the organisations run by the government in the same field. The voluntary organisations did not have financial resources to pay their employees at the same rate at which their counterparts were being paid in the institutions run by the government. In this connection, it was mentioned by one of the respondents "The qualifications required for the appointment to various posts are the same in the organisations directly run by the government, as well as voluntary organisations. Why should we be paid less for doing the same type of work in voluntary organisations"? One of the office-bearers had mentioned that due to low pay-scales they faced difficulties in getting qualified and

competent people. Even if they initially succeeded in getting them, they did not stay with them for long.

Aims and Objective:

The welfare institutions studied were largely engaged in rendering welfare services to children, women and the handicapped. One agency was working for the welfare of the scheduled tribes. Besides, it was also noticed that a number of them had organised composite programmes covering more than one field of service. Broadly speaking the aims and objectives of the various voluntary agencies working in the field of welfare of women, children and handicapped were:-

- (i) To provide care and protection to the women and children in distress.
- (ii) To provide facilities for giving them proper education, industrial and vocational training etc.
- (iii) To strive for their restoration and rehabilitation back to society, through marriage and employment.
- (iv) To start, maintain and control 'Rescue Homes' for the proper care, protection and rehabilitation of women and children, who had been victims of social vices involving moral danger.
- (v) To accept and raise donations for carrying out the aims and objectives of the agencies by arousing public interest in the welfare of women and children.

It may be noted here that the aims and objectives of the various voluntary agencies were defined in broad terms but generally the emphasis was on ameliorative activities such as

providing institutional care. In the constitution of all the organisations working in the field of welfare of physically handicapped and women providing vocational training and rehabilitation was one of the stated goals. However an analysis of the expenditure pattern of the organisations providing institutional care revealed that substantial amounts were spent on maintenance (food, clothing, shelter). In the case of organisations catering to the physically and mentally handicapped in addition to maintenance, the expenditure incurred on personnel viz. teachers, and ayahs etc accounted for a considerable part of the budget, hence the funds available for programmes of rehabilitation tended to be inadequate. Voluntary agencies had no schemes where by they could provide loans to the inmates from their own funds or help them in getting loans from the banks etc. to work on their own, i.e. to be selfemployed. Except in the state of Maharashtra, the capacity of the organizations to find jobs for the inmates is limited because of their limited contacts in the local employment market. Some of the organizations rehabilitated the inmates either through marriage, employment or adoption. But their follow up work on rehabilitated persons was either non-existing or very weak. It was also noticed that at times the activities taken up with a view to help in rehabilitating the people were not reaching the intended beneficiaries as the activity was not suitable

for them. It was also observed that in a few cases where production centres were set up to give training and employment to the target groups, the stipend paid to these trainees tended to be very low.

Activities:

The voluntary agencies selected for the study could be classified into five categories on the basis of the clientele group to which they served. (i) Child Welfare (ii) Women Welfare (iii) Welfare of the Handicapped (iv) Welfare of the scheduled tribes (v) General Welfare. These welfare institutions largely catered to children and women. The activities of these voluntary agencies would be broadly classified as (i) Institutional Care (ii) Educational Services (iii) Vocational Training (iv) Creches or Balwadis (v) Rehabilitation (vi) Recreational activities (vii) Medical and legal services. In addition to these activities, some of the organisations were running hostels for working women and production centres for economically backward women.

In the field of child welfare, running of Balwadis and creches was the most popular programme. This may be partly attributed to the priorities given by the funding agencies, especially the Government and the Social Welfare Board. In recent years delivering health and nutrition services through

Balwadis has received priority from the CSWB and the Ministry of Social Welfare.

Besides Balwadis, other important activities of these voluntary agencies are institutional care, education and rehabilitation. Most of the voluntary agencies working for the handicapped-mentally as well as physically children run a residential school for providing education and training to the inmates between the ages of 6 to 18 years. Besides teaching them the three R's, emphasis is laid on perceptual development and habit formation in the case of the mentally retarded. In the case of deaf and dumb schools, the main emphasis is on articulation, speech, lip-reading etc. In addition to this, children are provided vocational training in various crafts to make them self reliant. After 18 years of age they are required to leave the Hostel and have to be rehabilitated. No systematic efforts have been made to find out how far they succeed in rehabilitation. In the absence of such an effort one is not sure if this programme is efficient. Another agency working for the rehabilitation of the mentally handicapped, had mentioned providing education upto class eight as its main activity but it was found that not many students, would go up to that level. One of the problems in cases of such institutions was that the money spent on books, journals and equipment was very inadequate.

In view of their limited resources, the main concern is maintenance. This not only affects the quality of service but also the fulfilment of the overall objective of rehabilitation.

Another important activity of the voluntary agencies is to provide institutional care/residential care to the women and children in need of such care. Some organisations run rescue homes for the girls and women who are in moral danger and attempt to prevent them falling a victim to exploitation. These agencies provide residential facilities. In these organizations the inmates are provided food, clothing, shelter and medical facilities. However, Homes for children provide education also whereas women's homes provide vocational training and free legal aid. However, close scrutiny of the budgets of the organizations revealed that the expenditure incurred on the services and inputs such as medical aid, books and equipment is rather meagre. For instance in one agency which aimed at providing institutional care to mal-adjusted and wayward boys in the age-group of 12-16 years, the expenditure on an essential item like clothing varied from Rs. 7448 in 1976-77 to Rs. 97 only in 1978-79 although the strength of the Home remained almost constant. Similarly it was found in case of another agency having 400 children the expenditure on medicine was only to the tune of Rs. 700 per year in 1980-81. This seems extremely

inadequate as it works out to Rs. 1.55 per child per year.

Another important activity of the voluntary agencies was to provide vocational training to the inmates and help them in their rehabilitation so that they could become useful members of society. It was observed that though majority of the organisations consider rehabilitation of the inmates as their main objective, the expenditure incurred towards this end was very meagre. For instance, in one of the organisations which aimed at providing vocational training to deaf and dumb children to make them self-sufficient, no expenditure was incurred under this head during 1978-79, 1979-80 and 1980-81. Considering the needs of the children the institution has to serve, one wonders

about the nature of assistance and how effective it would be. The other way to help in the rehabilitation of the children and women could be to help them in getting jobs in factories or by giving financial assistance to enable them to be self-employed but none of the voluntary agencies had such schemes. In most institutions including the physically handicapped and the mentally retarded, the inmates could stay upto the age of eighteen only. By then, they are expected to have learnt some trade to earn a living. However the situation with regard to the mentally retarded and to some extent of

the physically handicapped is problematic. Their rehabilitation is not easy. The voluntary organizations concerned were often helpless as the Government Rules allow grants to cater to the needs of those who are upto the age of 18 only. As mentioned earlier some of the organisations run production centres or sheltered workshops to help them in their employment. Although, these are run on commercial lines the inmates are paid little.

The agencies also try to rehabilitate women and girls by arranging for their marriage or restoration to their parents and husbands. Few of the organisations arrange for adoption also. Some of the organisations working in this field. are effective, but they do not have follow-up work. In the absence of such follow-up work, it is not known whether they are able to adjust well in their new placements. Along with educational, and vocational programmes, the voluntary agencies also planned to provide for recreational activities - games and sports, books and magazines, cultural activities etc. But it was <sup>found that</sup> the amounts allocated for these activities is very small. At times, the allotted amount is diverted to immediate needs such as maintenance. The funds being almost fixed, and the costs of services going up, the approach is to provide for the essentials. It must, however, be pointed out that the voluntary organizations which cater to children do make provision for their education either within the institution or with nearby schools.

Finances:

The finances of the organisations are important for two reasons. The scale of operation and the nature of activities of an organisation will, to a considerable extent, be determined by its financial resources. Secondly, the manner in which funds are utilised by an institution brings out the direction in which it is channelling its efforts and enables one to find out the gaps between the stated goals and their realisation in actual practice.

The budget of the voluntary agencies for the last three years was looked into with this perspective in view. The following significant observations flow from such an exercise.

- (i) A scrutiny of the maintenance expenditure side of the budget of the various voluntary agencies shows that the main sources of their finance were the grants-in-aid received from various sources such as the Ministry of Social Welfare, Government of India, CSWB, SSWBs, State Social Welfare Departments and the local bodies. That is, these organizations were the main funding agencies to the voluntary agencies to carry on their activities. The organisations were getting grants from more than one source for different activities. It was found that a relatively very small sum was raised by way of donations or contributions in cash from people for the purpose on a

regular basis. Some of the organizations were able to get donations in kind such as, soaps, ghee, milk powder, clothing etc. for their inmates on a regular basis from some business houses. Individual donations were only by way of feeding the inmates on such occasions as marriages, birthdays etc. They account for a marginal part of the maintenance expenditure. The decline in donations over the years may be attributed to a lack of concern of the people about the problems of the deprived and poorer sections of society. This lack of concern could possibly be due to tremendous increase in cost of living. Also with the development of the concept of a welfare state they seem to feel that the state is responsible for the welfare of poor. In this connection it was mentioned by Secretary of one of the organisations. "In older times it was easy to get public contribution, but now it is very difficult because of the change in the attitude of the people. Now personal recognition has become more important. There are few committed voluntary workers as most of them later turn into politicians. Therefore, they do not enjoy the same trust of the people as they once did".

However, many of the voluntary organizations were able to obtain donations from domestic and foreign sources to purchase land, buildings and equipment. Foreign donations were mostly from philanthropic organizations and were in terms of both cash and kind. The kind part was in terms

of milk mixing, laundry machinery and equipment for education and vocational training purposes. The domestic part of the donations were mostly from business organizations and philanthropic individuals and were in cash and kind. The kind part was by way of donation of land and buildings and sometimes even equipment. Thus, the voluntary organizations make efforts to raise donations for major part of their capital expenditure through institutions and individuals from within the country and outside and the maintenance part of the expenditure from governmental sources the community and also from internal sources. However, the latter two sources constitute a marginal part of their maintenance expenditure.

- (ii) In addition to getting grants from various sources, the other sources of income of the voluntary agencies were the funds raised by them through sale of products of vocational training, and production centres and the fees charged from the inmates. About 50 percent of the voluntary organizations studied run schools for the benefit of children residing in the institution. They also admit children from the neighbourhood in their schools. Out of these organizations, four institutions run high schools also. They obtain grants from the local bodies and state governments towards the salaries of some of the teachers. They also charge fees from children who are not residents of their own institution. Besides

schools, many of the voluntary organizations have vocational training cum production centres for the benefit of the inmates. They also admit people who are destitute/distressed and economically weak from outside their organization. Income from fees paid by children and the sale proceeds\* of the vocational training cum production centres constitute another source of income to the organization.

(iii) On the expenditure side, it was found that those organizations delivering residential services to the inmates spend most of their income on meeting minimum needs such as food, clothing and shelter. This is true of all organizations giving institutional services to women, children and physically and mentally handicapped. In addition to this, institutions catering to children and physically and mentally handicapped were spending more on salaries of personnel such as ayahs, teachers, instructors etc. The expenditure of these institutions on books and equipment and on recreational and vocational

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\* Some institutions take job orders and pay nominal amounts on piece rate basis to the trainees/inmates. In most of the cases, goods produced in these centres, such as dresses stitched in the tailoring centres, toys prepared in the craft centre, are used by the organization to meet its internal needs. Generally, the organizations take up activities in such a manner that the products could be utilized to deliver a service to the inmates. Only few organization, in Maharashtra and Tamilnadu, were able to sell the products on a commercial basis in the open market.

training facilities was relatively low. This would raise questions about the efficient delivery of services to the target group and about effective realization of the overall objective of rehabilitating them.

(iv) The voluntary organizations partly depend upon the grants-in-aid from the Ministry of Social Welfare, Central Social Welfare Board, State Social Welfare Boards and State Governments for carrying on their programmes. The State Government's grants in many cases tended to be for maintenance purposes of the inmates and is given on per capita basis. They also give grant towards the salaries of teachers of the schools run by voluntary organizations. The Ministry of Social Welfare's grants were mostly towards foster care services, vocational training for physically and mentally handicapped and capital grants to working women's hostels. The Central and State Social Welfare Board's grants are mostly for Balwadi, nutrition, and creche services to children and education and Vocational training services and self employment for women. The Boards also give grants to some extent to meet the salaries of administrative and accounts staff of the organizations. Thus the grants received by the organizations are for the operational expenses of the programmes including establishment charges.

Since the funds collected from the community on a regular basis by way of donations etc. are limited the grants by the governmental agencies become critical. When asked about the problems faced by them in getting grants the following were mentioned.

- (i) One of the difficulties experienced by the voluntary agencies relate to the delay in the receipt of grants, which was mentioned by more than two thirds of the sample organisations. As per the rules, grants are required to be released in three instalments, first one in April, Second in May and third on receipt of all documents required for the purpose. It was mentioned by the organizations that they generally get the sanction letter as well as release of grants in the month of March. An examination of the files of the department of one State revealed that out of Rs. 127.74 lakhs paid as grants from 1971-72 to 1978-79 Rs. 35.27 lakhs were paid during March and out of this Rs. 46.01 lakhs were drawn and disbursed on the last day of March. The release of grants towards the fag end of the year hardly leaves any time for the institutions to utilise the grant within that year. The agencies face difficulty in getting the grant from state departments of social welfare and sometimes from CSWB and SSWB. No mention was made about the

difficulty in getting the grant from the Ministry of Social Welfare, Government of India. Although the grants are expected to be released in three instalments, during the course of the year, most got the grant in one instalment, usually in the month of March. In order to expedite the release of grants, it was told by some of the respondents that they had, at times, to bribe the people at the lower levels. Others mentioned that they had to request local leaders to use their good offices to exert their influence. The agencies, therefore, feel it difficult to plan their activities well in time which affects the efficient utilization of grants. In case of capital grants for purchase of equipment and construction of buildings they had to incur the expenditure in haste. In case of maintenance expenditure they had to borrow first on the basis of their fixed assets and repay the loan later with interest. Sometimes, diversion of programme funds also takes place. The personnel employed by the organizations were also placed in insecure position. The reasons for delay as stated by the grant giving agencies, were the submission of applications for grants without relevant documents such as utilization certificate, balance sheet & income and expenditure certificates etc. The delay also occurs due to non receipt of inspection reports from the inspecting staff of the grant giving agencies.

(ii) It was also mentioned that the voluntary agencies face

difficulty in getting the statements of accounts and utilization certificate from qualified chartered accountants. This is not only time consuming but also expensive for the organizations. Simplification of the procedure for applying for grants-in-aid was hence suggested.

- (iii) Mention was made about the inadequacy of the grants, especially by the residential institutions. About three-fourth of the voluntary agencies mentioned that in view of fixed rates of grants, rising prices and committed expenditure they were not able to bridge the gap between income and expenditure. This adversely affected the quality of service the organisation rendered to its clientele. For instance, nutrition was one of the important schemes under child welfare and it was not possible to run this programme effectively if adequate grant was not made available well in time. In this connection it was mentioned that in 1958 the government had fixed a grant of 20 paise per child for nutrition. Till date the organisation receives only 20 paise per child for nutrition. This amount of grant would have been fixed keeping in view the prevailing prices and cost of living at that time. But the cost of living has gone up considerably since then. It is not possible for the organisations to run this

programme with the amount provided. Thus if the grant giving body does not revise the amount of grant, the institution would not be able to maintain the level of service.

- (iv) Apart from the inadequacy of grants it was also mentioned that there was disparity in the grant given by the different departments for giving similar service to the clientele. For instance, in Tamil Nadu, it was found that some orphanages received grant from the Social Welfare Department of Tamil Nadu at the rate of Rs. 14 per month whereas its department of correctional administration gave Rs. 45 per month for its orphans and destitutes coming under its schemes. The target group coming under all the schemes and their needs also are almost the same. But the rate of grants given to the organisations to run the orphanages differ from one grant giving agency to another. The voluntary agencies sometimes get grants from more than one source and maintain a common kitchen. It is difficult for them to provide differential service to the boys and girls residing in the same organisation just because they are getting grants from different bodies. They had to render separate accounts to all the agencies which makes it difficult for them.

- (v) Sometimes, the grants are given to voluntary agencies not for any specific purpose but as general grants-in-aid on a matching basis to meet the establishment expenses of the organizations or to meet their budget deficits. It has been mentioned by the voluntary agencies that they find it difficult to raise the matching part of the contribution and sometimes resort to borrowing to meet the stipulated rule. The local bodies sometimes, give grants to meet the budget deficits of the organizations. According to their grants-in-aid rule they meet either 50 percent of the total expenditure in case of non-residential institutions and 70 percent of the approved expenditure in case of residential institutions or 95 percent of the deficit. The rule also provides that if the deficit amount is less than the amount otherwise admissible, the grant shall not exceed the 95 percent of the deficit. This puts the voluntary agencies at a disadvantageous position regarding funds. Therefore, the tendency is to inflate the expenditure and show a wider gap in the budget. However, in these cases, the organizations undertake a close scrutiny of the budgets to satisfy themselves about the worthwhileness of the expenditures. Generally, the officials of the local bodies also are exofficio members of the executive of the voluntary organizations.

(vi) It was observed that the grants are sanctioned for specific purposes and the organisation cannot spend the money on any other item than those approved by the grant giving bodies. This rigidity puts serious constraints on the organisation as it has no scope to utilise the money on any other item other than the one sanctioned. The grants are given for specific purposes which are closely interrelated and contribute in sum to achieve the overall objectives of the organisation. In such a case some flexibility is needed to permit the utilisation of unspent amount under one item to another. As at present the conditions attached to particular schemes are strictly adhered to and no allowance is made for local variations and the nature of the activity or to suit the peculiar characteristics of a particular clientele group.

Although reappropriation from one item to another is permissible within certain limits, the organizations stated that it is very difficult to get the permission. Some of the organizations were not even aware of the possibility of reappropriation.

To sum up, one can say that the voluntary organisations have, over a period of time, assumed a formal structure which is probably necessitated by legal requirement for

receiving grants. This entails greater cost on the administration and accounting function. It also restricts and curbs the initiative of the people when the lower level inspection staff of grant giving agencies interpret the rules narrowly. It is necessary to train the lower level staff of voluntary as well as grant giving organisation, not only in the procedures but also in the wider perspective of social welfare. Analysis of the sources of finances of the institutions indicated that they depend on government source in a substantial way to meet their maintenance expenditure. The voluntary organizations appear to be mobilising less community involvement. This has not only financial implications but also points to lack of community support to the social welfare needs and programmes.

In the absence of any systematic monitoring and evaluation by grant-giving agencies, of the programme of these institutions, they probably maintain a minimum standard of service in order to qualify to receive the minimum grant. There is greater need exists for field counselling by professional experts to improve the quality of service and also to introduce innovative programmes. Grants-in-aid, supported by the above service from the grant giving agencies would be more effective.

## CHAPTER IX

### SUMMARY, CONCLUSIONS & RECOMMENDATIONS

It has already been indicated that to understand the impact of the grants-in-aid schemes, there was a need to study many aspects not just the rules by themselves. Consequently various dimensions of the problem have been discussed in the study. The policy and approach for social welfare determines the programmes and services to be undertaken directly by central and State Governments and Voluntary organizations. Infact, the priority areas decided upon by the policy would indicate the type of action that is to be encouraged by the grants-in-aid scheme of the Central and State Governments and Central Social Welfare Board. Since substantial part of the total grants-in-aid to voluntary agencies are channelled through the Central Social Welfare Board, there is scope for greater interaction between the two organizations in the formulation of national policy and strategy for social welfare.

The organisational structure of the State Departments, the State Boards as well as the Central Ministry, and the CSWB, has been analysed. The purpose was to evaluate, how functional, the existing structure is to enable them to perform the functions anticipated in the policy. The problem

here is in terms of centralisation versus decentralisation. There is far greater centralisation on the CSWB as compared to Central Ministry.. This is partly due to the funding process. While the State Boards are entirely dependent on the grants from the CSWB, the State Departments have their own budgets for welfare apart from the grants from the Centre.

The analysis of the operation of the grants-in-aid system brings out the following:

1. Grants are given by various funding agencies to a host of organizations through a number of individual schemes. The resulting situation is that under different grants-in-aid schemes from various agencies, an organization gets funds sometimes to deliver the same service and catering to the same target group but with different rules and conditions attached to them. This is true of recurring as well as nonrecurring grant. The variation is more so in respect of quantum of grants to be allowed for a specific service such as maintenance or nutrition grant to target groups. This makes it also difficult for the organizations to render separate accounts. The variations in the quantum of grants and extent in the matching contribution required from the grantee organisations lead to undue demand for some schemes evolved by some agencies and non-utilisation of funds for others. Since the quantum of grant and matching contribution changes the cost of services to voluntary agencies, they

tend to apply for those schemes under which they receive more grants and have to pay less as their share of contribution. In the process, the service priorities of the agencies get vitiated.

2. Some of the grants-in-aid schemes are meant for providing some inputs to deliver a service. For example, schemes such as the general grants-in-aid programme of the Central Social Welfare Board and the scheme for improving organisational efficiency of the voluntary agencies provide inputs such as personnel, equipment etc. The input-oriented funding makes the organisations apply to various sources for funds so that they could deliver particular service/ services. This makes them also accountable to more than one agency causing in the process diffusion of their energies. Some inputs may also be missing leading to ineffective delivery of service.

3. There is lack of precision in the formulation of schemes especially with regard to such aspects as the following:

- (a) Regarding the definition of the intended target group. There is variation in the definitions given by different funding agencies. For example, the criteria evolved to define the category of destitute is unrealistic and also differs as between funding agencies. Most of the agencies define the term destitute in terms of family income and not per capita income.

- (b) There is also variation in the permissible items of expenditure and their cost for the same service but funded by different agencies.
- (c) There is also lack of clarity in respect of what constitutes matching contribution i.e. whether it is only the cash donations or kind donations and whether the services of voluntary workers also could be taken into account.

4. It has also been found that once the schemes are introduced they continue without any review or modification although the field situation may warrant a change. This is true of the rate of and quantum of grants, proportion of matching contributions, target groups and other conditions attached to the grants-in-aid scheme.

5. There does not appear to be tapering off of the grants given to any schemes or organisations.

6. Another lacunae in the grants-in-aid system is the lack of well spelt out realistic norms for minimum standards of service. This affects the system of supervision, monitoring and evaluation.

7. Another short coming of the grants-in-aid system is in respect of utilisation of grants. Inspection and supervision is limited to financial accountability, in the legalistic sense of the term and not for project results. Financial rules, in respect of reappropriation etc. are sometimes enforced at the cost of programme results. Field counselling is almost non-existent.

8. There are also undue delays in the sanction and release of grants to voluntary agencies due to the internal functioning of the funding and sometimes recipient organisations.

9. Lack of knowledge on the part of grant receiving organisations with regard to the schemes and procedures is also coming in the way of effective functioning of the system.

The analysis of the rules as well as the organisational structure raises questions of co-ordination. The vertical relationship between the Ministry of Social Welfare and the State Departments of social welfare is one of some interaction though the extent of influence on each other is limited. Between the CSWB and the State Boards, the relationship is one of the donor and recipient. The State representatives of the State Board do have some say in deciding on programmes and activities of the CSWB. However substantial part of the grants to the CSWB are usually designated to specific programmes.

The relationship between the CSWB and the Central Department is somewhat cordial. There is a great deal of interaction more at informal level than at formal level. There is also mutual representation on various committees. The impression gathered in the study was that the relations between the State Departments and the State Board left much

to be desired. Except for one State, in the other there seems to be little meeting ground. The grant by the Department to the Board to meet their establishment expenditure was given more with reluctance than with grace.

The arrangements for supervising, guiding and monitoring the activities of the voluntary organisations both in the Departments and the Boards are extremely inadequate, both in terms of the approach and the quality of the personnel. The fact that in most States, it is called 'inspection' is indicative of the approach. The effort is to look more at accounts rather than at programmes, activities and results. The personnel are not qualified sufficiently to make a meaningful analysis of the programme, the process of implementation and impact. There are no guidelines framed in some of the States, for purposes of supervision and field counselling.

Earlier, in the study a number of questions for which the study was seeking answers were mentioned.

Two questions refer to (i) the expansion of voluntary effort as a result of grants-in-aid schemes; (ii) the sense of stability provided by grants-in-aid to the voluntary organizations. As the study was limited to only a few cases (26) it is not possible to give categorical answers to the questions of extent of expansion of voluntary effort. Some evidence was available with regard to the sen

of stability provided by the grants-in-aid. The feeling gathered was that although the grants by themselves did not cover all the financial needs of the organizations, the fact that they did get grant from the government (either States or Centre and the State Boards) provided them recognition and credibility. The organisation, hence could approach the public as well as other funding agencies for aid to carry on their activities. To provide more specific answers to these questions further study of many voluntary organisations needs to be undertaken.

Recommendations:

The recommendations are being made under different headings - more or less based on the chapterwise headings.

In view of the fact that the recommendations are being made under different headings, there will be some overlap in the recommendations.

Grants-in-Aid:

In the area of social welfare, the nature of individualised services that are to be delivered to the target groups demands intimate knowledge about the community, its support and participation. Since the voluntary agencies are nearer to the beneficiary group and are assumed to be having substantial knowledge about the community and enjoying

their confidence and support, the system of grants-in-aid to voluntary agencies has been consciously provided and promoted. The main objectives of grants-in-aid is to draft the organisational, managerial, technical and financial capabilities of the voluntary agencies for achieving the goals of national development.

Spending money from the public exchaquer requires accountability according to the due process of law. Public accountability of government money demands that money is spent for the purpose for which it is meant and in the manner it is prescribed to be spent. That is, it is not only necessary to spent the public money well and for good causes but it has to be proved that it has been done so. This is required irrespective of the amounts involved.

The channelling of public funds through grants-in-aid is therefore, taken to be within the overall framework of the general financial management system. That is, it has to conform to the principles, rules and procedures governing the system of financial management and control.

Within this overall frame, each individual funding agency is required to frame its own grants-in-aid rules keeping in view the nature of the service and the requirements of the target group funded. However, there is need and also

scope to rationalise the existing general financial rules keeping in view the types of programmes and activities that are funded through grants-in-aid. For example, the condition that the voluntary organization should be a well established organization comes in the way of funding new organizations in areas where none exist and inhibits promotion of voluntary effort in less developed or special problem areas. Likewise, strict enforcement of such clauses as submission of balance sheets etc. causes difficulties to the organizations which are not commercial oriented in terms of the nature of their activities and also methods of functioning. Strict enforcement of such rules may in fact be dysfunctional. It is therefore necessary, to delegate power to the administrative ministries to relax such rules.

The following aspects need to be taken into account in the rationalisation of grants-in-aid:

1. There is need to rationalise the quantum of grants-in-aid, the ceiling limits and share of matching contributions by the voluntary agencies. There is need to have uniformity of approach on all these aspects when a grant-in-aid scheme is to deliver similar types of services and target groups.
2. There is also need to have a holistic approach in evolving a grants-in-aid scheme in terms of delivering a particular service to the target group rather than of delivering an input to the organisation.

3. The grants-in-aid schemes need to be formulated with clarity with regard to the intended beneficiary group, the inputs that are required for the delivery of service, that is, items of expenditure permissible to compute the cost of the service, and share of matching contributions by the voluntary agencies. The nature of the task and the needs of the target groups need to be kept in view in evolving the criteria of these aspects.

4. There is need to have periodical review of the schemes keeping in view the changing situation at the field level.

5. Schemes sponsored by the funding agencies need to be evaluated after five years so that grants could be tapered off.

6. Norms for minimum standards of service need to be formulated by all the funding agencies in consultation with their field level staff.

7. In order to ensure proper utilisation of grant, allowance has to be made for regional variations in field level situations. The State Boards and the District level Welfare Officers need to be delegated power to allow reappropriations as between certain items of expenditure under a particular scheme. The documents submitted by the grantee organisation needs to be scrutinised more carefully

for selection of right type of organisations. Field counselling and supervision need to be strengthened.

8. The delays in sanction and release would be less if the applications for grants are called in October, November of every year. The internal procedures for scrutiny, sanction and release need to be rationalised by the funding organisations.

9. There is need to advertise the schemes and the procedures to be followed in local newspapers at a fixed time of the year say in September, so that the voluntary agencies would come to know the schemes.

10. There is also need to rationalise the schemes for pre-school children i.e. Balwadi, creche and nutrition schemes.

11. Training programmes in accounting, book keeping for the personnel of voluntary organisations by the funding agencies in collaboration with training institutions goes a longway in strengthening their skills. It would also provide an opportunity, for the funding agencies to meet the agencies and get to know their problems and explain the funding agencies' position.

12. There is need to maintain a list of voluntary organizations categorised on selected criteria, such

as financial, organizational capability etc., so that the selection of organizations is easier.

Co-ordination:

There are many areas which call for co-ordination between the welfare departments and the welfare boards. However, the present recommendations are focussed more on the grants-in-aid schemes.

1. There is need for a welfare policy that is clearly defined both at the Centre and the State, particularly with reference to the areas which the voluntary organizations are to be engaged to take up. Discussions between the department and the board particularly at the State level is necessary in regard to:

- (a) formulate schemes;
- (b) select voluntary organizations;
- (c) supervision, monitor and evaluate programmes;
- (d) manner of release of funds; and
- (e) training of voluntary organizations-both in welfare policy and programmes and maintenance of accounts and records.

2. There are many ministries apart from Social Welfare ministries (health, education rural reconstruction, home and labour, etc.) which give grants for various

programmes of welfare. The Boards both at the Centre and the States should take initiative in getting together all such agencies so that there is an accepted approach for funding of voluntary organization (e.g. rate and quantum of grants, its utilization, the selection of voluntary organizations, etc.).

3. With regard to programmes, there is some delineation of activities. However, in the child welfare programme, particularly the nutrition component, there is some overlap in the funding process. There is need either to differentiate between the activities or selection of target groups. Such an effort could allow for greater co-ordination between the State Departments and the Boards.

4. There is, at present, representation of the CSWB on some committees of the Department of Social Welfare. Wider representation in all the working committees of the Ministry would enable the CSWB to play a more effective role in the formulation of social welfare policy.

5. There seems to be too-much centralization between the CSWB and State Boards. There is need to delegate more powers to the State Boards as at present their powers are limited. There was a feeling among the State Boards that their role is restricted. Decentralization could allow

the State Boards to play a more effective role in the formulation of schemes relevant to the States. Further, such role would get it greater recognition from the State departments.

Monitoring and Evaluation:

The existing arrangements for monitoring and evaluation are inadequate both in terms of approach and the quality of personnel. The area needs to be strengthened, to enable the voluntary organizations to perform their task more efficiently and fulfil their objectives. A number of steps are suggested.

1. The number of personnel assigned to the function of monitoring, evaluation is rather small. In some departments about 5 to 10 percent of the schemes funded are supervised and in some it is non-existent. An effort has to be made to increase their number. The problem of resources is there. May be, the budget for some of the programmes could make the post of monitoring and evaluation officer a composite part of the programme.
2. In view of the fact that the functioning of these officers is to supervise and guide the activities of the voluntary organizations and since they are not trained in social work and accounting etc. it is recommended that the personnel should be trained in social science preferably in social work.

3. Short-term courses should be organised for these to train them in:

- (a) Preparation of budget;
- (b) rules and regulations of grants-in-aid schemes;
- (c) accounts and book-keeping;
- (d) counselling to enable them to help voluntary organizations to identify the needs of the community and development programmes to meet these needs;
- (e) monitoring and evaluation of social welfare programmes; and
- (f) role of voluntary organizations.

4. In most States the process in analysing the programmes and accounts is termed 'inspection'. Even the approach is to look at the maintenance of accounts and make a physical verification of the various items in stock and number of inmates etc. It would be better to change the term to counselling and guidance so that a more positive approach is taken in helping voluntary organizations to carry on their activities.

5. Workshops and seminars should be organised for the office-bearers and the workers of the voluntary organizations to give orientation in:

- (a) project formulation;
- (b) preparation of budget;
- (c) accounting and book-keeping;

(d) rules and regulations of grants-in-aid schemes.

The officials in local areas concerned with these programmes as well as those dealing with the voluntary organizations should also be involved in these workshops.

Voluntary Organizations:

The grants-in-aid schemes are to enable the voluntary organizations to function effectively as well as undertake new activities. There is need for more flexibility of approach operationalisation of rules as well as emphasising of accountability. Although, these aspects may look contradictory, it is felt that such an approach is necessary for effective functioning of the voluntary organizations.

1; While the financial assistance of the government provides some security to the voluntary organizations, it was found that in majority of the cases, the grants were generally released towards the end of the financial year. This did not allow any time for the voluntary organizations to plan their activities well, retain the personnel and utilise their funds effectively. It is therefore, necessary that the grants should be released in time according to the rules of the system of grants-in-aid. The timely disbursement of the grants can strengthen the voluntary organizations as many of them are always handicapped on account of lack of funds and personnel.

2. The grant giving bodies should have uniform policy regarding matching part of grants by the voluntary organizations. The CSWB gives the grant on 50 percent matching basis whereas Delhi Administration gives grants to the tune of 95 percent of the expenditure for maintenance and 75 percent for capital expenditure.

3. The grant giving bodies should have a periodic evaluation of the quantum of grants paid to the voluntary organisations with a view to make the institutions gradually self reliant in their finance. The present situation seems to be that the voluntary organizations were not able to get public donations on a regular basis and were becoming more and more dependent on government grants for their recurring part of expenditure.

4. There is need to evaluate recruitment policy and salaries paid to the staff of the voluntary organizations. The salary and scales of the voluntary organizations were very low, consequently not many qualified people could be recruited and even if done there was great mobility. The regularity of payment of salaries needs to be ensured.

5. It was found that the grants continue to be constant. This poses serious problems to welfare institutions to maintain programmes at an existing level, let alone expanding them. The

grants to institutions should be based on regular appraisal and assessment of their needs and requires periodical review.

6. The possibility of forming a federated agency of voluntary organisations, with the Minister of Social Welfare as Chairman and Chairman of the CSWB as Vice Chairman needs to be looked into. Such an agency would enable the Ministry and the CSWB to know the needs of Voluntary Organizations, areas which some of them could undertake and the problems with regard to raising of resources.

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